| | | |
|---|---|---|
| Austria ... Sch. 18 | Indonesia .. Rp 2500 | Portugal ... Esc 80 |
| Bahrain .. Din.0.650 | Italy ...... L 1200 | S. Arabia .. Rls 6.00 |
| Belgium ... BFr.38 | Japan ...... Y550 | Singapore . S$ 4.10 |
| Canada ... C$2.00 | Jordan ... Fils.500 | Spain ..... Pta 100 |
| Cyprus .. Mills 600 | Kuwait ... Fils.500 | Sri Lanka ... Rup 30 |
| Denmark .. Dkr.7.25 | Lebanon .. £L 8.00 | Sweden .. Skr 6.50 |
| Egypt .... E£1.00 | Luxembourg . LFr.38 | Switzerland SFr2.00 |
| Finland .. Fmk 6.50 | Malaysia .. Rlr 4.25 | Taiwan ... NT $85 |
| France .. FFr. 6.00 | Mexico .. Pes. 300 | Tunisia .. Din 0.600 |
| Germany . DM 2.20 | Morocco .. Dh 6.00 | Turkey .... L 180 |
| Greece ..... Dr 60 | Netherlands . Fl 2.50 | U.A.E. ... Dh 6.50 |
| Hong Kong . HK$ 12 | Norway .. Nkr. 6.00 | U.S.A. .... $1.50 |
| India .... Rup. 15 | Philippines . Pes. 20 | |

# FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

No. 29,398 Thursday August 16 1984 D 8523 B

There is no miracle in the Reagan boom, Page 12

## NEWS SUMMARY

### GENERAL

## Canberra Treasury head resigns

John Stone, permanent head of the Australian Treasury, resigned six days before the Labor Government is to announce its budget.

There have been long-standing differences between Stone and Paul Keating, the Treasurer, and it was expected that Stone would be moved to another senior government post later this year.

Stone opposed the Government's decision last December to float the Australian dollar and the removal of foreign exchange controls.

He served as Treasury head for five years, previously under the Liberal Party administration. Page 3.

### Red Sea mines

Two more mines exploded in the Red Sea, as a multinational fleet prepared to clear the area of mines which have damaged at least 16 vessels in the past five weeks. Page 3

### No confidence vote

The Iranian parliament passed a vote of no confidence in five members of the country's Cabinet. Page 3

### Afghan bombing

Afghan aircraft bombed a Pakistani border village for the second time within 24 hours, killing 13 people, according to a Pakistani Foreign Ministry spokesman. Page 3

### Turkish trial

Fifty-six Turkish intellectuals, including some of the country's leading writers, went on trial accused of circulating a petition critical of the military.

### Death for hijackers

Four Georgians, foiled in an attempt to hijack a Soviet aircraft to Turkey last November, were sentenced to death by a court in the Georgian capital, Tbilisi.

### Ferry capsizes

Only six of an estimated 200 passengers and crew aboard an Indonesian ferry survived after the vessel capsized off the Malaysian state of Sabah.

### Newspaper closed

Authorities in Namibia (South West Africa) have closed down the outspoken Windhoek Observer newspaper. Page 3

### Population growth

The U.N. population conference in Mexico City ended with a statement that from 1984 to 2000 world population was expected to increase by 1.3bn to 6.1bn.

### Castle to reopen

Warsaw's royal castle is to reopen, after 13 years of rebuilding, on August 31, 45th anniversary of the Nazi invasion which led to its destruction.

### U.S. accused

A West German economic research institute has accused the U.S. of using "high technology protectionism" to maintain its lead against Japan. Page 2

### Glemp protest

Poland's Catholic primate, Cardinal Josef Glemp, accused West German groups of creating discord between the two countries by support of the German minority in Poland. Page 2

### Priestley dies

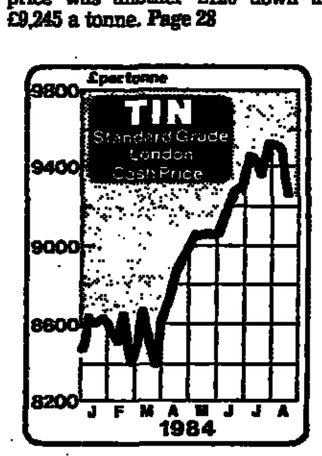
J. B. Priestley, the British author, playwright and broadcaster, died aged 89 at his home in Stratford-upon-Avon. Obituary Page 11

### BUSINESS

## German rescue for co-op bank

WEST GERMAN co-operative banks, in their biggest ever rescue operation, agreed to pump DM 144m ($49.5m) into Volksbank Oberhausen. Page 14

TIN prices fell for the second day in London, after puzzling tactics by the International Tin Council over buffer stock. Standard-grade cash price was another £120 down at £9,245 a tonne. Page 28



DOLLAR lost ground in London to close at DM 2.8715 (DM 2.888), FFr 8.83 (FFr 8.86), and SwFr 2.4085 (SwFr 2.421) but was unchanged at Y241.6. On Bank of England figures its trade-weighted index rose to 136.6 from 136.4. Page 29

STERLING gained 15 points against the dollar in London to $1.32. It was weaker, however, at DM 3.8 (DM 3.805), FFr 11.6575 (FFr 11.71), SwFr 3.1825 (SwFr 3.1925) and Y319.25 (Y319.75). Its trade-weighted index fell to 78.7 from 78.8. Page 29

GOLD fell $2.75 on the London bullion market to $352.00. It was also lower in Frankfurt at $351.00 and in Zurich at $351.25. Page 28

WALL STREET: By 3pm the Dow Jones industrial average was 7.95 down at 1,206.16. Section II

LONDON stocks retreated on fears of a national dock strike and the FT Industrial Ordinary index dropped 8.0 to 841.6 erasing most of the previous session's gain. Section II

TOKYO shares rallied on demand for electricals with the Nikkei-Dow market average up 80.58 to 10,441.50. Section II

VOLKSWAGEN, the West German car manufacturer, is confident of clinching a major joint venture deal with China to build a car plant in Shanghai.

SEA CONTAINERS, Bermuda-based container leasing and shipping group, reported second quarter profits of $11.6m, compared with $8.1m in the corresponding period last year. Page 16

DOME PETROLEUM, the troubled Canadian energy group, reported a net second quarter deficit of C$61.6m ($47.3m) after currency losses of C$72.3m. Page 14

GENERAL ACCIDENT, Britain's largest motor insurer, recorded a £700,000 ($917,000) pre-tax loss for the first six months of the year. Page 14; Lex; Detail Page 17

UN International Atomic Energy Agency said nuclear power will provide 15 per cent of world electricity in 1985 despite a decline in plant construction.

**Production difficulties in London may have resulted in typographical errors in unit trusts, some advertisements and elsewhere in today's edition.**

**Today's international edition is published in two sections, reflecting the seasonal reduction in pagination. Companies and Markets are combined in Section II.**

# U.S. forecast says higher growth will reduce budget gap

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

THE REAGAN Administration yesterday published an optimistic series of revised election year economic forecasts, predicting stronger economic growth for 1984 and reduced budget deficits in the years ahead.

In its mid-session budget review, the Administration said that it expects the economy to grow by 6.5 per cent year-on-year in the fourth quarter of this year, and then settle down to a steady 4 per cent annual growth rate in the next four years.

"Robust" economic growth, a downward revision of defence estimates and declining interest rates should reduce the Federal budget deficit to as little as $139.3bn, or 2.6 per cent of gross national product (GNP), in the fiscal year 1989, the Office of Management and Budget (OMB) estimated. The figure was far lower than the $236bn for 1989 predicted last week by the independent Congressional Budget Office (CBO).

Mr Walter Mondale, the Democratic presidential challenger, immediately accused President Reagan of rigging the estimates

The OMB put the budget deficit for the 1984 fiscal year, which ends on September 30, at $174.3bn, slightly lower than its last estimate in April of $177.8bn.

**U.S. industrial production increased by 0.9 per cent during July, despite indications of weakening demand, according to the Federal Reserve Board. Page 4**

For fiscal 1985, which begins on October 1, the office said that the deficit would be $172.4bn, or $166.9bn if proposed deficit reduction measures still pending before Congress are enacted.

The OMB said if these measures are adopted the deficit would fall to $165.5bn in fiscal 1986, rise to $172.6bn in 1987, and then drop back to $159.7bn in 1988 and $139.3bn in 1989. Without the pending changes, the 1989 deficit would be $161.7bn.

The report gave a clear warning, however, that longer range budget forecasts are uncertain and said that the 1989 deficit could climb as high as $229bn if growth was slower than expected. Faster than expected growth could reduce the 1989 shortfall to as little as $21bn, it added.

The OMB was notably more optimistic than the CBO in its estimates of growth rates, interest rates and inflation levels in the years ahead. The OMB put inflation, as measured by the GNP deflator, at 4.4 per cent for calendar 1984 (fourth quarter over fourth quarter), against 4.1 per cent for 1983. The rate would rise to 4.7 per cent in 1985, before falling gradually back to 3.5 per cent by 1989, it said.

The review forecast "a steady decline in both nominal and real interest rates," in the years ahead, with the 91-day Treasury bill rate projected to fall from 10.4 per cent at present to 8 per cent by the end of 1986 and 5 per cent by 1989. The CBO put the 1989 rate at almost 9 per cent.

The review, a month overdue, was held up by internal administration disagreements, reportedly in part at least over the future estimates of defence spending. While the Pentagon was understood to have wanted the projections to reflect its original spending requests, the final figures showed defence

Industrial production figures, Page 4

# Danish plan to eliminate current account deficit

BY HILARY BARNES IN COPENHAGEN

MR PALLE SIMONSEN, Denmark's newly-appointed Finance Minister, pledged yesterday to eliminate the country's current account deficit in three years and the budget deficit by the end of the decade.

Presenting the 1985 draft budget, Mr Simonsen said the budget deficit would be cut to DKr 42bn ($4bn) next year. This is half the deficit projected when the non-Socialist coalition Government took power in September 1982 and started to implement its economic reform programme.

The Government has gained a tight grip on expenditure, which will rise only 2 per cent from DKr 187bn to DKr 191bn next year and in constant price terms will be unchanged. The fastest growing item on the expenditure side is interest payments, which will rise to DKr 52.9bn next year from DKr 49.3bn in 1984.

Mr Simonsen's pledge to eliminate the current external deficit by 1988 took place as the deficit again deteriorated this year, but he said although the Government was watching the situation carefully it had no plans for corrective measures.

The first half current account deficit was DKr 10.1bn compared with DKr 10.8bn for the whole of last year. The government has revised its deficit forecast for the year from DKr 12bn to DKr 15bn. It expects a decline in the deficit of DKr 1bn to DKr 2bn in 1985.

Denmark's net foreign debt reached DKr 185bn or 36 per cent of gross-domestic product (GDP) at the end of last year and will rise steeply this year because of the increase in the current account deficit and because the strong dollar will boost the value of foreign debt in krone terms.

The minority Government's 1984 Finance Bill was thrown out by the Folketing (parliament) and the Government had to call a general election before the Finance Act was carried in February.

An agreement in April this year with the Radical Party – which holds the balance between right and left in the present parliament – over the main ingredients in the 1985 budget, means the Government is unlikely to experience serious political problems with the new Finance Bill, which contains no surprise tax or expenditure proposals.

The DKr 42bn budget deficit next year is a reduction of DKr 45bn over 1984 and DKr 54bn over 1983. As a percentage of GDP the deficit will fall to 7.1 per cent from 10.5 per cent in 1983 and 11.3 per cent in 1982.

Revenue next year will rise 11.7 per cent above the Finance Act figure to DKr 149bn.

The reduction in the deficit next year is partly due to bringing forward residual 1984 income tax payments of DKr 6bn from the spring of 1986 to the autumn of 1985.

At a press conference yesterday Mr Simonsen fended off questioners who suggested that next year's improvement in the budget deficit is due to sleight of hand and denied that the continued reduction in the deficit in 1986 will require either new taxes or public spending cuts. A continued high rate of economic growth will generate the necessary extra revenue, he said.

The budget is based on a relatively optimistic view of growth prospects. Real GDP is projected to increase by 3 per cent to 4 per cent next year compared with 3 per cent this year. Private consumption will rise about 2½ per cent.

# New chief for Goldman Sachs

BY PAUL TAYLOR IN NEW YORK

GOLDMAN SACHS, Wall Street's largest private investment banking firm, yesterday named Mr John Weinberg to become chairman as the latest in a string of recent senior management changes among the major U.S. securities houses.

The surprise announcement follows the decision of Mr John Whitehead, 62, who has shared the chairman's job with Mr Weinberg since 1976, to step aside in November, the end of Goldman Sachs' fiscal year. Mr Whitehead said the decision reflected his desire to concentrate on other outside interests.

The management change at Goldman Sachs, announced in an internal memo to staff, comes amid a period of intense activity among the major Wall Street firms. Over the last few months two other major securities firms, Merrill Lynch and Salomon Brothers, have announced new chairmen, Lehman Brothers has been acquired by Shearson American Express and Becker Paribas announced plans to sell its investment banking business to Merrill Lynch.

Mr Weinberg, 58, yesterday stressed however, that the change at Goldman Sachs represented "an orderly transition" and emphasised that there had been no "falling out" between the two men. He said he had known about Mr Whitehead's plans to step aside for more than a year and had tried to persuade Mr Whitehead to reconsider.

Mr Weinberg added that he did not expect any basic changes in Goldman Sachs' strategy as a result of the change and added that the partnership is not planning to go public.

Goldman Sachs has grown rapidly in recent years, is highly profitable and ranks number six in terms of total capital behind the industry leaders such as Merrill Lynch, Shearson/Lehman/American Express and Salomon Brothers.

Last year the firm is thought to have earned around $400m before taxes on revenues of nearly $1.5bn, representing an impressive 80 per cent return on Goldman Sachs' $502 m equity capital.

Mr Whitehead, one of Wall Street's most respected leaders and a prominent speaker, will remain a limited partner in the firm and will be chairman of its international advisor board. He is also expected to devote more time to his other interests in the non-profit sector.

Men and Matters, Page 12

# British industry gains jobs but is less competitive

By Max Wilkinson, Economics Correspondent, in London

BRITAIN'S manufacturing industry started to employ more people in the second quarter of 1984 after 6½ years of steady decline, but its competitive position appears to have slipped sharply.

In the first half of 1984, the wages and salaries paid by UK manufacturers per unit of output have been rising at an annual rate of about 4 per cent, according to official figures published yesterday.

The most recent figures from Japan and the U.S., for the first quarter, show wage costs per unit of output have been falling. In West Germany they have not risen.

| Wages and salaries per unit of output in manufacturing * | |
|---|---|
| U.S. | −3 |
| Japan | −5 |
| W. Germany | 0 |
| UK | 4.4 |

| Hourly earnings in manufacturing industry † | |
|---|---|
| U.S. | 4 |
| Japan | 5.6 |
| W. Germany | 3.1 |
| France | 10 |
| UK | 9.1 |
| Italy | 13.2 |
| Canada | 6.4 |
| Sweden | 8.6 |
| Belgium | 6.1 |
| Netherlands | 0.9 |
| Switzerland | 6.1 |

* Percentage rise in 12 months to first quarter 1984
† Annual percentage rise to latest month

Mr Tom King, Employment Secretary, warned yesterday that if UK costs continued to rise faster than those of its competitors the recent small gain in employment would quickly be threatened.

In June the number of people employed in British manufacturing industry rose 4,000 to 5.49m after three months in which employment fell only 2,000.

The rise of 3,000 in the second quarter was the first for 6½ years, and was described by Mr King as "an encouraging development."

Most of the new jobs have been provided in the engineering, food, drink, tobacco and office machinery sectors.

Although Mr King said it was too early to be sure that the recent declining trend had been halted, he

Continued on Page 14

Pay ceiling urged, Page 2

# Delay sought in Argentine debt payment

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT, IN LONDON

A NEW DEBT payment deadline is approaching for Argentina after the Government of President Raul Alfonsin agreed to meet a $125m payment that fell due yesterday.

At stake now is a larger, $750m payment due to the country's commercial bank creditors on September 15. Argentine officials said yesterday they would seek to defer the payment date because the amount was too large to be drawn from the country's still fairly meagre foreign exchange reserves.

But such a request is bound to put the 11-bank advisory committee of leading creditors in serious difficulty if Argentina still has no agreement with the International Monetary Fund on an economic stabilisation programme by the time the payment falls due.

The payment – which relates to the outstanding balance of a bridging loan granted to Argentina by commercial bank creditors last year – has already been deferred several times in anticipation of an IMF agreement. Smaller creditor banks have shown an increasing reluctance to accept new payment delays.

An IMF team is to visit Buenos Aires next week for further discussions on the planned economic programme, but although the IMF says progress has been made in agreeing key policy objectives, substantial differences remain between the two sides.

The IMF is still seeking a curb on real wages to depress Argentina's soaring 615 per cent inflation rate, but the Government wants to protect lower paid workers from bearing the brunt of the austerity. It prefers to reduce its budget deficit by imposing tax increases on the higher paid and increasing utility charges.

Argentine officials argue that this would cause the burden to fall largely on the middle and business classes whose actions in transferring money abroad have exacerbated the country's $43.6bn debt problem.

One indication of the size of the gap between Argentina and the IMF was the refusal of the IMF to make any clear recommendation on how the banks should respond to this week's initial request for an extension of yesterday's $125m payment deadline. Normally creditor banks make such decisions only after guidance from the IMF.

Argentina's decision to pay the money yesterday came only after two full days of talks with leading bankers in New York, which ended at 11.15 pm on Tuesday night. Both sides were yesterday at pains to stress that the talks ended in a spirit of amicable co-operation.

# FCA revised result shows $107m loss

BY WILLIAM HALL IN NEW YORK

FINANCIAL Corporation of America (FCA), which controls the biggest savings and loan association in the U.S. has been forced to restate its earnings to show that it made a second quarter loss of $107.5m and has reported that, as a result of a run on its deposits, it is no longer in compliance with official liquidity requirements.

FCA said yesterday that its main operating subsidiary, American Savings and Loan, was not in compliance with government liquidity regulations in July because of a savings outflow. The company does not expect to be in compliance this month and says that it expects to increase its borrowings from the Federal Home Loan Bank of San Francisco and sell some assets.

FCA announced yesterday that, following an accounting dispute with the U.S. Securities and Exchange Commission (SEC), it had agreed to restate its 1984 figures. As a result its first-quarter net income has been reduced from $44.2m to $27.6m, and the second-quarter loss compares with an earlier reported $31.1m net income.

FCA's rapid growth in recent years, to a position where it ranks in size among the top 12 banks in the U.S. has been highly controversial. The group, headed by Mr Charles Knapp, a 49-year-old former investment banker, has clashed with U.S. regulatory agencies before, but the latest dispute over the complex accounting treatment of FCA's investment in $2bn

Continued on Page 14

## CONTENTS

# EUROPEAN NEWS

## Compromise on Citroen job cuts likely in France

BY DAVID MARSH IN PARIS

THE FRENCH Government appears to be moving towards a compromise in accepting long-delayed work force cuts at the troubled Citroen division of the Peugeot car group, the country's largest private sector enterprise.

French employers are looking for approval of the Peugeot streamling as a sign that the newly-shuffled Socialist Government is living up to its promise of a more business-like approach to industry.

The Communist party, meanwhile, which left the coalition last month, has stepped up criticism of continuing job cuts in manufacturing.

Citroen will be tabling new proposals to unions at a work committee meeting next Wednesday in a bid to soften the immediate social impact of its plan for roughly 2,200 outright redundancies at its car plants in the Paris region.

The Government in June turned down the original Citroen proposals. They are part of an overall plan for 6,000 job cuts, including measures like early retirement and voluntary departures, as well as redundancies. The Employment Ministry, which set a three-month deadline (due to expire on August 18) for Citroen to come up with new proposals, *now says it will decide on them* after next Wednesday's meeting.

The shape of a compromise agreement, *however, is beginning* to emerge. M Jacques Calvet, chairman of Peugeot's operating subsidiaries, is due to meet unions tomorrow in a bid to find room for agreement at the works council meeting next week.

The Peugeot/Citroen management earlier this summer had already whittled down the number of proposed redundancies from the original figure of 2,900, mainly by encouraging immigrant workers to take up government-subsidised offers of repatriation.

It is now also suggesting 10-month training courses for sacked staff, to increase their chances of finding jobs and prevent immediate swelling of dole queues.

The Employment Ministry turned down Citroen's June request on the grounds of the "insufficiency" of accompanying social measures. It said on Tuesday that it would examine new suggestions in the light of the futures of both the company and laid-off workers.

Similar proposals on retraining helped break deadlock over job cuts at Peugeot's Talbot division in January, when accord was finally reached on a total of 6,500 workforce *reductions after considerable* strife at the Poissy plant

## Greece to buy Soviet equipment for army

BY TOM SEALY AND COSTIS STAMBOLIS

GREECE has become the first Nato country to buy auxiliary equipment for its army from the Soviet Union. Mr Anthony Drosoyiannis, the Greek Under-Secretary of Defence, said last week that a record Dr5bn (£33m) order for heavy equipment had been signed but did not name the supplier. Other sources in Athens have now confirmed it to be the Soviet Union.

The equipment comprises 600 bulldozers, excavators, graders and dumpers which are to be supplied to Sykea, the army construction works service, by the Soviet foreign trade organisations Traktoroexport, Avtoexport, and Machinoexport. Deliveries will start in November, with the bulk of the order to be filled in 1985.

Diplomats in Athens say it is the largest single order for this type of equipment placed by Greece in recent years, and the first to be placed with the Soviet Union.

Although the equipment is non-military, it could be used to support *military operations.*

## Consumer weekly keeps press debate alive in Poland

BY LESLIE COLITT IN WARAW

THE EDITOR of Poland's first consumers' magazine, *Veto, appears to thrive on* litigation. He is currently faced with legal action by the Polish dairy co-operative for alleging it to be a "waster and saboteur" whose milk is of "terrible quality."

This controversy makes his weekly one of the most popular in Poland where readers yearn for a taste of the heady press debate which existed in the Solidarity era.

This week, Veto received a letter threatening the editor with court proceedings by Pewex, the powerful state chain of hard currency shops which the magazine recently accused *of being dishonest. It* claimed that employees gave Poles who bought merchandise for dollars their change in less valuable dollar coupons or even in zlotys. The proceeds were allegedly *distributed among the staff.*

Mr Andrzej Nalecz-Nawecki, the dishevelled chain-smoking editor of Veto, gives the impression of a man not about to publish an apology. His air of self-confidence stems from his backing—none other than the economic reformers in the Polish Communist Party headed by General Wojciech Jaruzelski, the Prime Minister.

They tolerate his free-wheeling weekly which reserves some of its sharpest missiles for the arch-enemy of economic reform in Poland, the army of well-entrenched *government bureaucrats fighting for their desks.*

Mr Nalecz-Nawecki is jousting with yet another bureaucratic outgrowth in the Ministry of Internal Trade, one of his favourite administrative bogeymen.

Last year it announced plans to set up a retail agency to sell all alcoholic beverages in Poland, a body with an enormous growth potential. The monopoly, Ponal, would sell alcohol in separate shops rather than in supermarkets and food outlets as now.

Veto labelled the plan "idiocy" as the country's economic reforms are intended to reduce the powers of inefficient state monopolies. Mr Nalecz-Nawecki, a former official of the disbanded Union of Journalists which supported the now banned Solidarity union, said several hundred employees have been *hired by Ponal.*

The editor's shabby little office is piled high with letters, up to 1,000 a day, reacting to topical issues, such as nudist beaches. Publishing such items and an increasing number of nude photos involves some diplomatic talk with the censor. The editor explained that the censor is a prim lady whose instructions are not to pass anything which might be considered offensive to the Roman Catholic Church. On the other hand, the Government wholly approves of sex in so far as it takes people's minds off politics.

Founded in June, 1982, the magazine published as one of its first acts an exchange rate table giving the black market *rates of the dollar and gold to* the non-convertible Polish zloty. For this, Mr Nalecz-Nawecki needed clearance from the Deputy Interior Minister, a general who, he said, had "more pressing business" at the time and let the decision slip through.

Veto obtains the exchange rate, which is clipped out by money changers and ordinary citizens—often one and the same—throughout Poland, by anonymously telephoning sellers of dollar coupons who advertise in the newspapers. One of the magazine's staff also strolls nonchalantly around Warsaw's banks and Pewex shops where the larger volume black market currency dealers do their business and "obtains an average."

The current issue of Veto *gives the unofficial rate as* Zl 550 to the dollar, down from Zl 570 in July but still better than the official rate of Zl 110.

## Swedish trade surplus soars by 60%

By David Brown in Stockholm

SWEDEN'S TRADE surplus in the first seven months of this year rose by 60 per cent to SKr 16bn (£1.46bn), compared with the same period last year.

The value of goods exports during the period (excluding oil and ships) climbed by 21 per cent, while imports rose only 16 per cent, according to Statistics Sweden. In July, however, both exports (SKr 15.3bn) and imports (SKr 14.1bn) grew at the same rate—14 per cent.

The value of ship exports during the period halved to SKr 2.9bn due to several large deliveries last year. Oil exports grew 6 per cent to SKr 7.4bn, while imports declined 3 per cent to SKr 22.6bn.

## Rich extradition move

The Swiss Government says it is considering a U.S. request for the extradition of commodities trader Mr Marc Rich and his associate, Mr Pincus Green, Reuter reports from Berne. Mr Rich's company, based in Zug, was charged in the U.S. last year with evading $48m in taxes.

The U.S. filed an extradition request last month but Berne did not consider it because it was not written in one of Switzerland's official languages. The Justice Ministry said a request in German arrived on *Tuesday.*

## W. German exports to Arab markets fall 11.4% in first half

BY JONATHAN CARR IN BONN

WEST GERMAN exports to the 21 countries of the Arab world fell by *11.4 per cent to DM 12.7bn ($4.4bn) in the first half of this year against* the same period in 1983 – and no major improvement is likely in the near future.

But despite this, a Bonn Economics Ministry report said yesterday that the Arab countries still made up West Germany's most important export market – after the industrialised world.

The report pointed out, for example, that first-half exports to the Arab world were worth DM 2bn more than West Germany's deliveries to all state trading nations, including the Soviet Union and China.

Explaining the further turndown in German deliveries to the Arabs, the ministry stressed the depleted *financial resources – and hence* ability to place orders – of the oil producing countries.

This relative lack of finance was likely to continue for the rest of this year and probably throughout 1985 as well, the ministry said. It also noted there was growing international competition for Arab business.

Despite that, West German imports – mainly oil – from the Arab world, rose in the first half of this year by 7.7 per cent to DM 10bn. This meant that total German-Arab bilateral trade in the first half was worth DM 22.7bn.

While the West Germans imported slightly less oil than they did in January-June 1983, their bill rose *by 3.6 per cent to DM 7.6bn because* of the high-flying U.S. dollar in which oil is priced.

Saudi Arabia continues to top the list among West Germany's Arab customers, taking DM 3bn worth of West German exports in the first half.

Libya is easily the most important of West Germany's Arab oil suppliers, delivering 5.95m tonnes or 17.1 per cent of West Germany's oil imports in the first half year.

However, Britain has increased its lead as West Germany's top oil supplier. Britain delivered 9m tonnes or 25.9 per cent of West German oil needs in January-June.

## Moscow trade with West in surplus

MOSCOW – The Soviet Union recorded another trade surplus with the West in the first half of this year and *its industrial output rose* 4.6 per cent in the January-July period, figures showed yesterday.

Trade with the non-Communist industrial nations rose an overall 2.3 per cent compared with the same period last year, giving Moscow a 600m roubles ($715m) surplus.

This compares with a 1.4bn roubles deficit in the first six months of 1983 and a 1bn roubles surplus for 1983.

*Publishing the figures, the offi*cial Economic Gazette said trade with the West continued to be held back by U.S.-inspired attempts to restrict exports to the Soviet Union.

West Germany remained Moscow's main capitalist trading partner despite some strains in political relations. Turnover rose 14 per cent, the Gazette said.

The 1983 surplus marked a sharp turnround from previous deficits. Western economists attributed the *change to high income from oil ex*ports and reduced grain purchases.

A separate report showed Soviet industrial output continuing to grow steadily in the first seven months of the year.

Output rose 4.6 per cent compared with the same period in 1983 and with 4.5 per cent for the first half of this year. Reuter

Glemp: "historical pain."

## Glemp tries to calm row with West Germany

By Leslie Colitt

THE HEAD of Poland's Roman Catholic Church, Cardinal Jozef Glemp, yesterday sought to calm a raging controversy between West Germany and Poland over charges by Warsaw that Bonn is seeking to annexe East Germany and to restore the "Reich's" pre-war eastern borders.

He said that the problem was swollen with "historical pain and misunderstanding" and required a great deal of "moral awareness." He added that relations were good between the Catholic churches in the two countries.

Cardinal Glemp himself was criticised in the Polish government media for visiting West Germany last month at a time when Warsaw was blasting Bonn for "revanchist" aims toward the East.

In his most important sermon of the year to some 200,000 pilgrims at the shrine in Czestochowa, the Cardinal accused unnamed groups in West Germany of "sowing discord" by supporting a so-called German minority in Poland.

He appealed to young Poles who regard themselves as ethnic Germans to remain "hime" and resist the lure of "comfort and pleasure" in the West.

The Cardinal made no direct reference to the tense relations between the Polish Government and the widely based opposition. This lack of comment was in itself noteworthy.

*The main protagonists,* the Government and the banned Solidarity union, have been restrained in their actions and comments in recent weeks. However, the Communist party's politburo has hinted that the only "dialogue" that could be expected by the party leadership *and the Government would be* with the government-sanctioned unions.

## Intellectuals go on trial over petition to Evren

By David Barchard in Ankara

THE TRIAL opened yesterday in an Ankara martial law court of 56 leading left-of-centre intellectuals, academics, and writers accused of using a petition to President Kenan Evren to make a political statement.

The petition, issued on May 14, was initially signed by 1,256 Turkish intellectuals. It made a carefully worded but unmistakeable attack on the tough law and order constitution intro*duced by the military in 1982,* and appealed for a more liberal line on issues such as torture, education and Press censorship.

It has been circulated throughout the Western world, and academics and politicians in Europe and North America have signed expressions of support for its aims.

President Ronald Reagan's human rights adviser, Mr Elliot Abrams, made a pointed reference to the freedom to make petitions during his visit to Ankara in early July.

Diplomats from the British and U.S. embassies attended the opening of the trial as *observers. An observer from* the West German embassy was turned away by soldiers at the gate of the Ankara garrison headquarters where the trial is being held.

Foreign correspondents previously admitted without question to trials of this kind in Ankara, were also stopped. They were told that this was because they had not been given necessary permission to attend.

Photographers were also barred for the first time, but Turks working for the foreign and local Press were admitted.

If convicted, the defendants will face up to a year in jail. During their examination by the judges, questioning centred on whether they had duplicated and circulated the petition to publicise its contents inside Turkey.

One of the first defendants to be questioned was the 69-year-old humourist, Mr Aziz Nesin, one of Turkey's most famous writers. He said that it was undemocratic for the defendants to have no right of reply when President Evren accused them of being national traitors.

There is considerable disquiet among the embassies of Nato *nations at the decision to press* ahead with the prosecution, and at the way in which it is being carried out.

Censorship, if anything, also appears to be tightening. On Tuesday, the Istanbul martial law authorities for the first time banned news that a trial was taking place: that of 19 mothers of left-wing prisoners.

It is understood that President Evren and his colleagues regard the defence of the 1982 constitution in its entirety as essential if law and order are to be maintained. The military believe that liberalisation of the sort advocated by the defendants would have an unacceptable price in terms of social disorders.

## Hungarian reform claims first victim

Hungary's liberal economic reform, which makes companies pay their own way, claimed its first casualty this week when a loss-making concern was closed, Reuter reports from Budapest. The official MTI news agency said that Mr Laszlo Kapolyi, the Industry Minister, was dissolving IGV, a business machine and *precision mechanical* enterprise, because it has been uneconomical.

# UK NEWS

## CBI urges companies to keep wage settlements below 5%

BY PHILIP BASSET, LABOUR CORRESPONDENT

COMPANIES ARE being urged to push pay settlement levels firmly below 5 per cent this year in the face of a hardening industrial relations climate created chiefly by the miners' strikes.

Leaders of the Confederation of British Industry (CBI), the employers' organisation, have told companies in a confidential document on pay and productivity that the industrial relations challenge they face "cannot be overstated."

It says: "Confrontation such as that in the case of the miners is a reminder that greater turbulence is by no means impossible, and may be catching."

Supporting the argument for keeping wage settlements below 5 per cent, the CBI document says that unit labour costs in Britain have worsened this year compared with those of its overseas competitors.

However, the CBI believes that "the twin objectives of better competitiveness and profitability are attainable" – as a graph headline in the document puts it to employers: "You've done it before – you can do it again."

The CBI's analysis argues that the UK is still about 25 per cent less competitive than its main overseas rivals. Profits needed to recover to help generate increases in investment on which to build in the future. In the past, profits had been squeezed out by too much going on pay.

The paper also gives a warning about the movement of the business cycle, stressing that "barely perceptible though it may have been, or may be still for some, recovery has been under way from the deep trough of mid-1981."

Despite the latest rise in interest rates, the CBI sees continuing economic growth for the rest of this year, and as far as through 1985, though it argues that recovery is from a low base, and there will be little reduction in unemployment.

*Employers are cautioned against* doing deals now with their employees which will tell against them if or when the business cycle turns again. The CBI sees the recovery continuing into next year.

In a separate report yesterday, Income Data Services, (IDS), the pay research company, says negotiating pressures this year are expected to push up the general level of pay settlements.

IDS says that most basic pay increases in the private sector over the past 18 months have been between 4 and 8 per cent, with a concentration between 5 and 7.5 per cent.

The rate of price inflation was "bound to rise" in the months ahead as a result of the rise in interest rates in July. While this rise was short-term, its effects would be felt for longer, and reflected in bargaining pressures.

IDS predicts mounting pay pressures in the public sector. It says that these will increase sharply if, *as expected, the Government an*nounces a cash limit pay factor of 3 per cent again for this year.

## Glaxo launches drug in U.S.

GLAXO, one of Britain's largest pharmaceutical companies, yesterday launched its anti-hypertensive drug, Tandate, on the U.S. market.

City of London analysts believe *the launch on the U.S. market,* worth £750m, could have a significant impact on Glaxo's U.S. profits. The company is understood to have made its first profit in the U.S. in the year ending June 1984.

The drug, whose generic name is labetalol and which is used to treat *high blood pressure, was first* marketed in the UK in 1977 and is currently available in more than 70 countries.

Glaxo's anti-ulcer drug Zantac has cornered an estimated 30 per cent of its market in the U.S. with the product netting about $125m in *the last year.*

● A STUDY on radiation protection has approved the use of a site near *Bedford, 30 miles north of London,* for the shallow land burial of weak radio-active wastes from the UK nuclear industry.

*The National Radiological Protec*tion Board said the site at Elstow was likely to be found acceptable in any examination of radiation protection. Only Britain and France at present dispose of nuclear wastes by shallow land burial. The board said it had studied all risks of radiation leakage, including those caused by fire and flooding.

● VAUXHALL UNION leaders have submitted a claim for a substantial pay rise and a shorter working week. The unions are looking for an 8 per cent pay rise and a 37½ hour week down from their present 39 hours. With sales booming and new models due to come on stream, Vauxhall will be anxious to avoid a repetition of last year's strikes over conditions.

● MR LEN Murray, the general secretary of the Trades Union Congress, has written to Mr Norman Tebbit, Industry Secretary, urging the Government to follow Japan in encouraging greater integration of the British shipping and shipbuilding industries. Mr Murray points out that the number of merchant ships owned and registered in the UK had fallen from 1,200 in 1979 to fewer than 780 ships by the end of 1983, with the loss of 30,000 jobs.

## Increase in interest rates hits car sales

By John Griffiths

THERE is little chance that this year's August car sales will be anywhere near the record 374,599 registrations for the same month in 1983.

Car sales in August are traditionally the highest of the year because this is the month when the new registration prefix letter – B this year – is introduced.

It has become something of a status symbol to be one of the first to own a car with the new prefix and sales are usually brisk.

In the first 10 days of August, sales were more than 16 per cent down from the same period last year.

The steep rise in mortgage rates was announced just as many potential car buyers were about to place their orders. Interest rates generally jumped at that time and many company fleet buyers held back to see where the rates would settle.

This month's figures will provide plenty of ammunition for those within the industry who argue for a change in the system where there is a letter indentifying the year a car was purchased.

## Union will question support for miners

BY OUR INDUSTRIAL STAFF

A SPECIAL conference of the National and Local Government Officers' Association (Nalgo) will be held to discuss whether the union should continue to give financial support to striking miners.

The national delegate meeting on October 10 has been called after 50 branches of the 780,000 strong union met the requirement under Nalgo's rules allowing a conference to be held.

The 50 branches are opposed to *further donation to the National* Union of Mineworkers (NUM). They have put forward a resolution, to be voted on at the conference, instructing Nalgo's national executive council to make no more donations until the membership has voted in a secret ballot on the issue.

However, a number of amendments to this resolution are likely to be put forward and it is quite possible that the conference could vote for increased support for the miners without a ballot of members.

Nalgo has to date pledged about £42,000 for the miners. As with some other unions which have made donations to the miners there has been considerable discontent among sections of the membership. Nalgo admits that hundreds of members have resigned and that at least five branches have said they will withold subscription income in protest.

The backlash in Nalgo has been more pronounced because 28,000 of its members are police civilian staff, many of whom appear to blame the miners for picket-line violence against their uniformed colleagues.

Meanwhile eight out of 10 miners at some Yorkshire pits want to return to work, according to a statement issued after a secret meeting of the "back to work" movement headed by "silver birch", Mr Chris Butcher from Nottinghamshire. The statement said they were prevented from returning to work by "severe intimidation".

In South Wales officials of the NUM will not attend or be represented when the High Court decides today whether any of the union's seized assets should be returned.

The NUM South Wales executive *decided to continue its policy of non* co-operation with the courts.

## Institute accuses U.S. of 'high-tech protectionism'

BY JONATHAN CARR IN BONN

A WEST GERMAN economic research institute supported by private business and industry has accused the United States of "high technology protectionism" to try to keep its lead against Japan.

The Cologne-based Institute of German Economy (IW) said yesterday that the most dangerous element in the U.S. strategy was the so-called "re-export clause."

A West German mechanical engineering concern, for example, could not export a computer-controlled machine which used U.S. microchips, without first gaining a re-export permit from the U.S.

"This shows that the motive of U.S. technology protectionism does not lie in the security field, as is often claimed," the IW said. "The real aim is to protect the domestic high technology industry, which saw its traditional lead endangered in the light of Japanese successes."

The institute's accusation comes at a time of growing West German criticism—from the state and the private sector—at what are seen as unjustifiable obstacles placed by the U.S. in the way of technology transfer.

A recent Bonn government report lists cases where Washington is felt to have interfered with trade in high technology products containing equipment originating in the U.S., but not necessarily destined for Warsaw pact states.

*In a separate case, Bonn is* seeking approval from other Western states through the Co-ordinating Committee on East-West Trade (CoCom) for the sale of West German telephone technology to Hungary.

Fulfillment of the DM 30m (£7.9m) Hungarian order to Standard *Elektrik Lorenz (SEL)* of Stuttgart needs the assent of CoCom.

### Government optimistic about $1bn current account surplus this year

## Yugoslavia shows signs of recovery

BY ALEKSANDAR LEBL IN BELGRADE AND DAVID BUCHAN IN LONDON

*LESS SUCCESSFUL* than the few other Communist participants at the Olympic Games, Yugoslavs none the less have been setting their own kind of records at home. Last month inflation hit a post-war annual peak, with retail prices 62.1 per cent higher than in July 1983; and a Macedonian factory took the honours for the country's longest strike with a 45-day stoppage.

Luckily, the situation in Yugoslavia is rarely as bad as it seems, even if, in the political arena, the Government appears bent on insisting that it is actually worse, and is cracking down on dissent.

In the economy, however, a rising incidence of *minor work stopages have not prevented* a general rise in output, and the lifting of most price controls this summer has not so far led to a serious further suptr in inflation.

After three years of near stagnation, industrial production in the first six months of *this year topped by 4.7 per cent* the level in first halfr of 1983. Optimism about this is tempered by recognition that Yugoslavia has been able to import raw and intermediate material for industry under special credits granted by Western governments last year, that a *long period of over-enthusiastic* investment has created capacity *which* has lain idle until recently, and that the recovery is uneven.

*Shipbuilding and chemicals* have led those sectors with above average results this year, but machine-building has registered a 10 per cent decline and construction is in a shambles, due to investment cuts that are part of the International Monetary Fund's deflationary programme for Yugoslavia.

The upturn in production has

**YUGOSLAV EXTERNAL FINANCES (convertible currency in $m)**

| | Jan-June 1984 | Jan-June 1983 |
|---|---|---|
| Exports | 3,125 | 2,780 |
| Imports | 3,522 | 3,500 |
| Current account balance | 207 | −180 |

helped exports which earn hard currency. These rose by a total of 12 per cent in dollar terms in the first six months and *included a sharp 30 per cent* increase to the industrialised Western market. With hard currency imports staying level, the effect has been to enhance official optimism about a $1bn surplus on the current account this year (compared to $270m in 1983).

*After earlier agreements* with Western bank and govern*ment creditors rescheduling* most of this year's $3bn debt maturities, Yugoslavia faces no *serious problems in external* financing for the rest of this year. Next year's debts, however, will also have to be rescheduled.

Ironically, one problem has been the reluctance of some Yugoslav importers to take up new Western credit because of high interest rates and new complex banking procedures.

Pricing policy was the cause of heated argument between Yugoslavia and the IMF earlier this year. The two sides eventually agreed that the prices of some 55 per cent of all goods would be allowed to float freely by September — without the *Government being able to delay* increases for a 30-day period. September is when the Fund is due to pay out the next tranche of its 1984 loan of nearly $400m.

Time will tell whether the Government's fears about inflation in the absence of admini*strative controls, or the IMF's freer-market* approach, proves the more justified. Most of the record 62 per cent rise in consumer prices since July, 1983, obviously took place before price controls were reimposed at the turn of the year.

The increase so far this year *has been 23 per cent. But it may* be accelerating again. Retail *prices rose by 5.4 per cent and* producer prices by 6.4 per cent in July compared to June this *year.*

Tighter money policy, at the IMF's behest, has had a shaky start. Interest rates rose in July, are to rise further next month, and by April 1 next year are supposed to be one percentage point above the inflation rate.

Despite the higher cost of credit, companies have still been borrowing to finance their rising inventories. So the authorities have put a stop to inventory finance, except for goods for export. A few companies have got the message and have started to sell stocks at big price discounts.

Longer term issues, such as reform of company accounting or of foreign exchange distribution, are beyond the power of outside bodies like the IMF to influence, and remain for Yugoslavs alone to settle. But two years after the government of Mrs Milka Planinc introduced its vaunted long-term stabilisation programme," Yugslav politicians have produced more hot air than concrete decision.

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# OVERSEAS NEWS

## No-confidence vote in quarter of Iran Cabinet

BY KATHY EVANS IN DUBAI

IRAN'S Cabinet, headed by Mr Hussein Mir-Moussavi, the Prime Minister, has suffered a severe blow following a vote of no confidence in a quarter of its members by the Iranian parliament (Majlis).

The most prominent of the defeated ministers was Col Mohammed Salimi who held the defence portfolio. The position is largely bureaucratic, because strategic defence decisions are taken by the Supreme Defence Council.

Other Ministers to be rejected by the Majlis were the Minister of Industries and Mines, Mr Ali Mustapha Hashem; Mr Ali Akhbar Pavaresh, Education Minister; Mr Hadi Munafi (Health Minister) and Mr Mohammed Ali Najavi, Higher Education Minister.

All five Ministers came in for bitter personal attacks. Among the charges levelled were financial mismanagement, inefficiency in negotiating contracts, and nepotism — allegations vigorously denied. The charges of mismanagement of contract negotiations were particularly virulent against the outgoing Defence Minister.

Observers in Tehran said that most of the Ministers concerned were conservatives, as against the more reformist line taken by other Cabinet members and the majority of Deputies of the Majlis.

Two, the Defence and Education Ministers, were believed to be members of the Hojatieh Society, an ultra-conservative religious group.

The vote of no confidence took senior Iranian leaders and diplomats by surprise. Mr Mir-Mousavi managed to secure a vote of confidence for himself from the Majlis, though Deputies insisted on working through the list of Cabinet members on an individual basis.

It may be another month before the newly-vacant posts can be filled. The Majlis is due to recess for the holy pilgrimage season until mid-September. Hojatolislam Ali Akrar Rafsanjani, the Majlis Speaker, was reported to have been particularly angered by the move and was said to have ordered a cut-off in the usual live transmission on radio of the parliamentary debate.

Mr Rafsanjani said that it could be another year before the vacant portfolios are filled.

"The decision means that the Government may have lost its equilibrium. It may be difficult to find five people who satisfy all the trends represented in Iran and the Parliament," commented one observers in Tehran.

The Majlis approved the appointment of Mr Habibi, Hojatoleslam Reyshari, and Mr Kazerooni, respectively, to the previously vacant Ministries of Justice, Information and Housing.

## Australian Treasury head resigns on budget eve

BY LACHLAN DRUMMOND AND COLIN CHAPMAN IN SYDNEY

MR JOHN STONE, permanent head of the Australian Treasury, yesterday announced his resignation, six days before the Labour Government brings in its budget.

Mr Stone has served in the post for five years under two separate political administrations. The announcement of his resignation, likely to take effect next month, came on his 30th anniversary with the Treasury.

Mr Stone is highly regarded for the strength of his intellect, his capacity for hard work, and the honesty of his advice—qualities which have produced occasionally stormy relations with the Fraser Liberal and Hawke Labor administrations.

It has been known for some time that Mr Stone and Labour's Treasurer, Mr Paul Keating, have had their differences, and it was expected that Mr Stone should be shifted to another senior Government post later this year.

Mr John Stone

But, with considerable style, Mr Stone went to a budget meeting with the Treasurer, pulled out a silver salver bearing a bottle of French champagne, and handed Mr Keating his letter of resignation. Somewhat taken aback, Mr Keating drank a toast to Mr Stone's health.

The timing of the resignation has been taken by the Opposition as a sign of Mr Stone washing his hands of next Tuesday's budget.

Mr John Howard, Opposition Treasury spokesman, said he felt the resignation signified a rift between Mr Stone and the Government on budgetary policy.

"The timing could hardly be more symbolic," Mr Howard added. "For the Secretary of the Treasury to resign on the eve of the budget has to signal very clearly his fundamental dissatisfaction with the budget policy of the Government."

Economic observers believe however that Mr Stone, having overseen the drafting work for the budget, has selected the hiatus between it being printed and the floor of Parliament as an appropriate time to resign.

The turning-point in relations between the Government and its Treasury head came in December, when Mr Stone made known publicly his strong opposition to the floating of the Australian dollar and the removal of foreign exchange controls—a stand contrary to his generally free-market approach.

Mr Stone had always staunchly defended the independence of the Treasury, and in the last budget of the Fraser administration, was cut out of full involvement after questioning the assumptions underlying the budget figures.

His assessment proved right, and the budget deficit grew alarmingly. It is generally accepted that there is a keen irony that Mr Stone's continued tenure as Treasury head was secured only by the coming to power in March 1983 of the Labor Government under which he has now left.

The friction between Mr Stone's "inexorable logic," as one senior bank economist put it, and the policy and political demands of government, made it inevitable that the relationship would founder, particularly since he was outside Australia when preliminary budget papers were drawn up.

Mr Stone has won many admirers for his fierce independence, mordant wit, and contempt for many politicians though he is widely disliked in Canberra. On the eve of the election which brought Bob Hawke to power, he was addressing a graduation ceremony at Sydney University. "No-one ever went broke betting on the medacity of politicians," he then said.

He argued the chief enemies of freedom were governments and the bureaucrats that served them, adding: "I do not say that gladly, having spent 28 years in the service of successive governments of the commonwealth."

Mr Stone's logical successor will be either Mr Bernie Fraser, or Mr Chris Higgins, two of his deputies, both in their early '40s. While sharing Mr Stone's free market views, both are seen as more flexible. Mr Ian Castles, permanent head of the Finance Ministry and a former Treasury man, is also considered to be a contender, given his additional years of experience.

Mr Stone's departure, though, is not expected to see any fundamental change in the economic policies being pursued by Mr Hawke's pragmatic Labor Government.

## Gandhi urges end to Sri Lanka violence

BY JOHN ELLIOTT IN NEW DELHI

INDIA's growing impatience and concern about the mounting violence in Sri Lanka, where over 100 people have died in the past 10 days, was emphasised yesterday when Mrs Indira Gandhi, India's Prime Minister, said the situation was "quite grave."

Speaking two days before a round-table conference on the island's ethnic problems—due to meet tomorrow—she made it clear that she wanted an urgent peaceful conclusion to the claims of the minority Tamil community.

India's coming general election is causing widespread political tensions, as disturbances showed yesterday during its annual Independence Day celebrations, and is also affecting Mrs Gandhi's stance on Sri Lanka.

Mrs Gandhi is especially anxious to increase her support in Southern India. She is coming under increasing perssure from the state of Tamil Nadu, which faces Sri Lanka, to intervene directly and protect the Tamil minority.

But for the time being at least, she is resisting this. "We do not want to interfere. We do not want to put any obstacles in the path of the unity of another country," she declared.

Mrs Gandhi made her sentiments and frustration clear when she said: "My heart is full of grief for those innocent people.

She had heard "only of reports of unpleasant incidents" instead of the internal. Sri Lankan dialogue she had urged when President Juniius Jayawardene of Sri Lanka visited Delhi six weeks ago.

**Reuter adds from Colombo:** Soldiers fighting Tamil separatist guerrillas burned shops in the North-west Sri Lankan port of Mannar last Sunday, Sri Lanka's Cabinet was told yesterday. Mr Anandatissa de Alwis, the Information Minister, said there was strong suspicion that young Marxist-oriented soldiers had incited others to commit arson.

## Sorry tale of China's intellectuals

BY COLINA MACDOUGALL

EIGHT YEARS after the death of Mao Tse-tung and long after pragmatic policies have supposedly been introduced, China's intellectuals are still suffering the effects of his hatred. One the famous and influential among the "stinking ninth category" (numbers one to eight were landlords, reactionaries and such) seem to have been rehabilitated.

According to recent articles in the Chinese Press, millions of scientists, technicians, engineers and school teachers are still mouldering in dead end jobs. At the local level, hostility to experts is a key legacy of the cultural revolution.

Early this month the People's Daily published an article asking "Why is it so difficult to implement policies on intellectuals?" To this, the answer was that however much the Central Committee wished to rehabilitate educated people dismissed or rusticated in the cultural revolution, powerful local officials stubbornly refuse to comply.

"The results of every policy review implementation are shocking," said the People's Daily. According to 1982 census figures published recently in the Guangming Daily, only 6m out of the 1bn Chinese has any college level education (these are "intellectuals" in the Chinese sense). Of these only 4.4m were graduates.

Only 13 per cent of workers in education are intellectuals, and in industry the ratio is worse—just 1.6 per cent. With so few trained minds available to press forward the cause of modernisation, one might expect China to be fostering those it has. But the reverse is the case.

At present, said the People's Daily, though a large number of intellectuals have been assigned to important jobs, many of them have titles and responsibilities without power. They suffer constantly from interference and cannot get on with their work. In particular, no-one listens to the views of scientific and technical officials on technical and professional matters, or even job questions.

Intellectuals find it nearly impossible to join the Communist Party, the privileged doorway to influence. Of the 106 outstanding teachers in Jiangsu province, where the People's Daily ran a survey, only 30 were party members. Not one of the 39 class teachers at the No. 9 secondary school in Nanking was a party member.

Distrust, prejudice and envy are all targeted on intellectuals. Compounding the problem is the fear felt by local officials, said Hebei radio in July, that if they recruit intellectuals into the party they will get the blame later if the policy changes.

Poor working and living conditions and bad health for intellectuals are universal, said the People's Daily. These conditions are particularly marked among teachers. According to the paper's statistics, over 5,000 teachers in Xuzhou, Changzhou and Nanking (all significant towns) have housign problems, including nearly 3,000 who have nowhere to live.

Teachers are bullied by local authorities. One school in Nanking retained a little of the profit from its factory (many schools in China run sideline occupations) to buy a vacuum flask and a couple of kilos of tea for the staff. The city finance bureau said this was illegal and deducted the amount from the teachers' pay. The bureau commented: "Soon we'll have no powers left but we can still control the teachers."

In Guangxi, a People's Daily correspondent wrote, the 1977 teachers' pay rises were held back and the funds used to build a new education bureau office at a cost of about £100,000.

While China has made the lives of many intellectuals a misery over the past 30 years, there is fierce competition among school students to get into universities. Many of these, however, are bent on finding a safe slot where they can lead a quiet life on a reasonable income.

Even if they were keen to contribute to the country's modernisations, both they and the leaders in Peking would be up against the immovable mass of conservative Leftist mid-level bureaucracy. As one Guangxi magistrate reportedly said when persecuted teachers were fleeing his county, "Let them go! The earth will go on turning and I am still an official."

## UK mine-hunters set to begin Suez Gulf search

BY TONY WALKER AT ABADIYA NAVAL BASE, GULF OF SUEZ

THERE WERE minor problems with the sonar gear of one of the ships, but the four British mine-hunters made it safely through the Suez Canal yesterday, ready to begin the search for the mystery mines in the Gulf of Suez which have threatened shipping.

The mahogany-hulled mine-hunters will traverse the waters of the Gulf of Suez to retrieve any mines they may find, for examination, so that the origin can be established and progress made towards identifying those responsible for laying them.

Britain has brought in diving teams and special craft to assist the mine-hunters in their operations in the north of the Gulf of Suez.

The British mine-hunters and their support ship, the Oil Endeavour, will operate from the Abadiya naval base just south of where the Suez Canal empties into the Gulf of Suez. A British naval officer said it was planned to begin "essential work" tomorrow.

Egypt has blamed both Libya and Iran for laying the explosive devices that have hit 18 ships, damaging several. But both Tehran and Tripoli have denied involvement and no evidence has yet been produced in public to prove the complicity of either.

A British naval spokesman stressed that British, U.S. and Egyptian forces would operate independently, but would co-co-ordinate efforts with committee in Cairo on which all three are represented.

It appears France's contribution to mine-clearing operations in the Red Sea will be delayed. A French mine-hunter had to be towed back through the Canal yesterday after breaking down. The French ships were in convoy with the British.

The 420-tonne British mine-hunters—the Bossington, Kirkliston, Gavinton and Brinton—are embarking on a difficult task and it is not clear how long it will tak.

Egyptian mine-sweepers, with U.S. assistance, have been scouring the Gulf of Suez for several weeks

The U.S. Sea Stallion mine-clearing helicopters on board the support ship, Shrevesport, are expected to take up position with the Egyption navy in the southern section of the Gulf of Suez today.

## Israel inflation continues to break records

BY DAVID LENNON IN TEL AVIV

ISRAEL'S inflation rate continued to break records last month, despite the Government's attempts to keep prices down in the weeks before the general election.

The Central Bureau of Statistics reported yesterday that the cost-of-living index rose by 12.4 per cent in July—double the increase recorded in the same month last year.

Inflation is now running at 400 per cent on an annual basis, and there is considerable fear among economists that the inflation rate may accelerate.

It is generally agreed that urgent steps must be taken to halt the deterioration of the economy. It is vry difficult for the interim government to launch any new comprehensive economic programme.

The talks on the establishment of a new Government in the wake of last month's elections are not making much progress. The indications are that it could be many weeks, if not months, before a new coalition is formed.

Talks this week between the Treasury and the Histadrut, the trade union federation, failed to produce any agreement on the measures needed to restore the economy to health.

## Gadaffi pact a diversion says Algeria

By Francis Ghilés

ALGERIA, North Africa's most powerful country appears to have dismissed Tuesday's announcement of a union of two state pact between the Libyan leader, Col Muammer Gadaffi and Morocco's King Hassan as little more than a minor diversion from the intractable military crisis in the Western Sahara.

The Algerian state press agency Algerie Presse Service confirmed that President Chadli Bendjedid had received a phone call from King Hassan on Monday when the King met Col Gadaffi at the Moroccan/Algerian border town of Oujda.

Algerian officials point out that the likelihood of President Chadli joining such a gathering were rather remote.

Relations between Algeria and Libya have deteriorated considerably during the past two years, and the Algerian Press has recently taken Libyan policies and behaviour to task.

The rapprochement between Algeria, Tunisia and Mauretania last year angered Col Gadaffi and there have been a number of border incidents with Tunisia in recent months.

Last January, the pipeline which carries Algerian oil through Tunisia to the port of La Skhirra was blown up.

No progress towards ending the Western Saharan war which the Polisario Liberation Front, backed by Algeria, has been waging against Moroccan troops for nearly nine years is in sight.

Meanwhile, Algiers is very concerned about the security of Mauretania which King Hassan has been threatening of late: the Moroccan monarch claims that Polisario attacks are now launched from the south, rather than directly from Algerian territory.

**Reuter adds from Tunis:** The Libya Morocco treaty envisages a loose union under which both countries will be autonomous and retain their existing institutions, Arab diplomats said. They understood that King Hassan and Col Gaddafi would consult on any foreign commitments by either country.

A permanent secretariat, alternating between the two capitals, would look after the day-to-day running of the union,

## Newspaper closed

THE OUTSPOKEN independent Windhoek Observer newspaper has been closed by the South West African authorities, Jim Jones reports from Johannesburg. The banning is the culmination of a period of harassment of the newspaper. This year eight editions have been banned—two on the grounds that publication would endanger the security of the state and six for obscenity. The Observer can appeal against the decision.

# AMERICAN NEWS

**David Gardner** reports on the outcome of a Mexico City conference on population

## Abortion becomes a policy weapon

WHAT IS the relationship between family planning and the unrestrained free market, between the arms race and abortion, and between the West Bank and "supply side demographics"? The answer is that these bemusing amalgams, common coin at the International Conference on Population which has just ended here, mark the extraordinary politicisation that the issue of population growth has undergone over the last few months.

The catalyst has not been global alarm at the rate of population growth, but the Reagan Administration decision to reverse nearly two decades of U.S. policy on family planning.

The conference—called to review progress on and update the World Plan of Action approved at the first population conference in Bucharest in 1974—was from the outset overshadowed by the Reagan Administration's declared intention to cut funding to international population programmes practising or promoting abortion, and by its questioning of the validity of family planning itself.

But, while the practical effect on the Administration's *new policy is far from clear,* the upstage and abrasive stance of the U.S. delegation to the conference has got population issues acres of column inches, *transforming* "a lukewarm issue into a high focus priority," in the words of one U.S. lobbyist.

In essence, the new U.S. *policy seeks to cut off funds* to private organisations involved, however peripherally, in providing abortion services. Countries with state-funded abortion facilities *will continue* to get population assistance, provided the U.S. money is held in segregated accounts.

The U.S. provided $240m for population programmes in fiscal year 1984, or 44 per cent of all industrialised country aid for family planning. Population activists fear that up to $75m may now be denied to private organisations which in many Third World countries are the only source of family planning services. Though only a fraction of aid is spent on abortion, many organisations are connected, often indirectly, with abortion services.

Opponents of the measures stress that the cuts in aid, at a time when organisations like the World Bank have detected sharply rising unmet demands for contraception in the developing world, will lead to a greater recourse to abortion, and more deaths of women seeking abortions wherever they can find them.

They also argue that the Reagan Administration is using public money to discourage abortion when it is perfectly *legal* in the U.S. Last Wednesday, as the U.S. delegation was presenting its new policy here, an amendment to the Supplementary Appropriations Bill calling on the Administration not to withhold funds to organisations or countries using their own money for practices legal in the U.S., was laid before the *Senate.*

Though the amendment was subsequently withdrawn, a bipartisan Congressional group said here on Sunday that there *would be further challenges* if needed to protect the U.S. population aid programme.

The other prong of the U.S. population offensive at its most basic equates the free market to a contraceptive. The U.S. delegation argued, often crudely, that population growth was, in itself, a neutral phenomenon, and that the real issue was economic reform. "The freest market economies have had the greatest success in absorbing rising populations," said Mr James Buckley, a prominent Roman Catholic and President of Radio Free Europe, who headed the delegation.

This was derided by the large population lobby at the conference as "supply side demographics," which ignored the research of the 10 years since Bucharest and made no attempt to correlate economic with population growth. It was politely ignored by most of the conference.

The U.S. position reflected an ironic about-turn from the Bucharest conference. Then, the West was concerned to limit population, while a suspicious Third World insisted that the issue was development. For most of the world, on the evidence of the positions advanced here last week, the two issues have now intertwined, adding an extra political charge to both. A great many delegates, hackles already raised by the U.S. abortion *stance,* were visibly irritated, therefore, at American insistence that one interpretation of one mode of development was the key to solving both problems

These tensions were sucked into more familiar UN wrangles on a Soviet call for redirecting resources through disarmament (this was quietly resolved by French diplomacy), and an Arab-inspired clause condemning settlements in occupied territory (which remained unresolved to the end).

A great many delegates, observers and officials deplored this introduction of extraneous themes. Some showed concern at the implication of the U.S. performance, on three main counts. First, it was argued, the U.S. had never before been quite so isolated at a major international conference; only the Vatican backed its population policy, while Israel alone supported its attempt to delete the Middle East clause.

Second, the team it sent to the conference had better ideological than technical qualifications. Third, and connected with this, there was the overwhelming impression that, the sincerity of the U.S. delegates notwithstanding, the exercise was in part motivated by President Reagan's concern to secure the vote of the anti-abortion *lobby in the November Presidential elections.*

But despite the ideological *fog,* the *substantive* business of the conference was accomplished. Since Bucharest, it was noted, global population growth had declined from 2.03 to 1.67 per cent a year—although the

James Buckley accused of "supply side demographics"

rise was almost entirely in developing countries. The need to marry development and population strategies was therefore stressed, along with calls for increased funding. (Recipient countries now put up $4 for every $1 from aid donors.)

A central theme was the need to improve the status of women, for which concrete policies were demanded. Integrated urban and rural strategies were called for, and there was general optimism that governments would now commit more funds to population programmes.

The buzz words of the conference were undoubtedly "sharpened focus": the ideological animus of the debate ended by holding up the issues for closer and wider examination.

## Moscow denounces Reagan's bomb joke

*By Our Foreign Staff*

THE SOVIET UNION yesterday reacted to President Reagan's joke about bombing Russian with denunciations in all the main media, declaring that the remark was unprecedented in its hostility and a proof of the U.S. leader's real intentions.

A statement by the Tass news agency, clearly by its wording straight from the Kremlin, said, "The Soviet Union deplores the U.S. President's invective, unprecedentedly hostile to the USSR and dangerous to the cause of peace." It went on to say that "this conduct is incompatible with the responsibility borne by leaders of states.

In a microphone test last weekend, Mr Reagan had joked that he had outlawed Russia for ever and was about to start bombing it. For those Russians who may have hitherto harboured doubts about their own government's anti-Reagan propaganda, Mr Reagan's remarks ...were read out in English on Tuesday night's Soviet television news, explained in Russian and repeated in the Tass statement.

The two main Soviet newspapers, *Pravda and Izvestia,* echoed the Tass condemnation more pungently. Mr Yuri Zhukov, the chief Pravda commentator, said, "Reagan *blurted* out what is permanently on his mind.

Izvestia said Mr Reagan's "blasphemous words" had gone down in history and "they cannot be erased like the infamous Watergate tapes." But the newspaper said every cloud had a silver lining. This incident should be a clear warning to right-thinking Americans on the need to vote Mr Reagan out of office.

## Mexico approves energy programme

PRESIDENT Miguel de la Madrid of Mexico has approved a four-year energy programme that calls for limited resumption of an ambitious nuclear programme that was halted two years ago because of the nation's economic crisis, AP reports from Mexico City.

## Republican Right bids for ironclad pledge on taxes

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

REPUBLICAN Party delegates have adopted a strongly conservative draft policy platform for November's U.S. elections, including tough new language *opposing any increase in taxes.*

The rejection of a tax increase was couched in terms even more adamant than those sought by the White House, which had been hoping to leave President Ronald Reagan with some leeway for raising revenue as a "last resort" to cope with the budget deficit.

*The firm wording of the draft* platform, for submission to the Party's national convention in Dallas next week, represented a victory for hardline right-*wingers,* who want 'ironclad' assurances from the convention that taxes will not be raised.

Mr Drew Lewis, the chief White House representative at the *platform committee's* discussions in Dallas, said that Mr Reagan could still "live with" the position adopted.

He pointed to a statement *that* Republicans 'now foresee no economic circumstances which would call for increased taxes," which, he said, implied that, circumstances could *change. Presidential* contenders, in any case, usually feel reasonably free to disregard their party platform in practice.

*Nevertheless,* conservatives claimed that they had sent a "big signal" to Mr Reagan, warning him of political trouble if he tried to raise taxes. In other passages, the document commits the Party to "oppose any attempt to increase taxes" in future and says that Republicans "categorically reject proposals to increase taxes."

The White House was more wary over parts of the platform which seemed to hold out the promise of yet further tax cuts in a second Reagan Administration. The draft denounced the "incentive-destroying effects of graduated tax rates" and endorsed a flat, single-rate income tax as the way to "complete tax reform."

In addition, the draft promised to eliminate the "windfall profits" tax on domestic crude oil, reduce tax on interest income and increase individual tax exemptions. Mr Lewis said that while the White House supported the tax section in general, it would prefer not to give specific backing to the flat-rate tax plan.

In some other respects, the *documents* was seen as marginally more "moderate" than the Republicans' 1980 platform. This year, there is no direct call for military superiority over the Soviet Union or a return to the gold standard, although both concepts are supported in milder language. Generally, however, the Party's *moderate minority* has been overwhelmed by its conservative majority.

The draft, still subject to further review by the full platform committee, supports the Administration's drive against abortion worldwide.

The platform opposes a nuclear weapons *freeze, saying* that to deter cheating, we must continue to maintain and modernise America's strength.

## U.S. industrial output up

BY OUR U.S. EDITOR IN WASHINGTON

U.S. INDUSTRIAL production increased by a healthy 0.9 per cent last month, despite signs of slackening demand, the Federal Reserve Board reported yesterday. The July figure was the same as a revised 0.9 per cent increase for June, a rate of expansion that has been exceeded only once in the last 10 months, in January.

The new data followed Tuesday's retail sales report showing a drop of 0.9 per cent in July, with durable goods sales down 1.4 per cent. Yesterday's figures, however, showed a slight increase in car output and a "sharp advance" in home appliances and furnishings.

The increase brought the seasonally adjusted index for July to a level 10.6 per cent higher than in July 1983, the Fed said, compared to a 12.1 per cent year-on-year advance in June.

## Weirton Steel plant to lay off 250 workers

BY TERRY BYLAND IN NEW YORK

WEIRTON STEEL, the largest employee-owned venture in the U.S. suffered a blow to its confidence this week when the management announced that 250 of the 8,000 strong workforce would be laid off because of softening demand for the company's sheet and tinmill steel.

The newly redundant workers will join about 500 previously laid off, many by the *former owners of the plant,* National Steel. They will hold recall rights for a period, guaranteeing that any re-hiring wil be on a first-out, first-in sequence, but have no redundancy agreement with the company.

*The company,* set up when National Steel hived off the Weirton plant last year, will phase-in the redundancies weekly until the end of next month.

Weirton's output, expected to exceed 2m tonnes this year, is split almost evenly between *tinmill steel, wihch is sold to* the packaging and can industries, and rolled steel, sold to the automotive and construction industries.

## U.S. Nato costs set to increase

COST-SHARING programmes being negotiated by the U.S. and its European allies will substantially improve Nato defence capability but will not lower U.S. costs, according to Congressional investigators, Reuter reports from Washington.

The General Accounting Office (GAO), the invtstigative arm of Congress, said on Tuesday that despite the cost-sharing *programmes there was* "little likelihood of increasing Allied contributions to offset U.S. costs."

The report said the U.S. would incur substantial added costs to *deploy, operate and maintain* ground-launched cruise nuclear missiles in Britain.

Britain would pay less than 1 per cent of the $1.6bn ($1.2bn) needed to operate the missile programme over the next 10 years, it said.

The report was released as Nato officials in Brussels announced that they were close to agreement on a major spending rise for a six-year programme to improve air baes, ports, fuel pipelines, equipment, munitions storage and other infrastructures.

While that accord could appease Congressional critics of European defence efforts, the Gao report could fan their anger.

The Gad said the U.S. spent $122.3bn or 56 per cent of its 1982 defence budget on Nato. Many in Congress say it is too much and the Europeans must assume a larger share of the burden.

The Gao said the U.S. might cut its costs by withdrawing troops from Europe but warned that withdrawal could actually boost costs "unless the U.S. commitment to Nato were also reduced."

The report focused on Britain and West Germany, where 80 per cent of U.S. Nato forces are stationed, and addressed two major programmes—a plan to restation U.S. troops in West *Germany and another under* which Britain and West Germany would pledge support services for U.S. troops in wartime.

# WORLD TRADE NEWS

## Australian coal sales up 17%

SYDNEY—Australia exported a record 64m tonnes of coal in the year ended June 30, up 17 per *cent from 54.6m tonnes the year* before, according to Government figures released yesterday.

The Australian Bureau of Statistics said the 1983-84 coal exports were valued at A$3.31bn (£2.1bn), up from A$3.07bn the year before.

Japan was the biggest customer, taking 37.2m tonnes worth A$2.01bn, up from 34.3m tonnes worth A$2bn the year before. South Korea was the next biggest importer with 5.6m tonnes, up from 4.5m tonnes.

The bureau said iron ore exports were also higher in the financial year, rising 25 per cent to 83.3m tonnes from 66.8m *tonnes.* The exports were valued at A$1.62bn, up from A$1.49bn the year before.

Japan was again the leading customer, buying 55.5m tonnes worth *A$1.14bn, up from 47.4m* tonnes. South Korea took 5.2m tonnes valued at A$115.3m, up from 4.3m tonnes.

AP-DJ

## Chewing gum contract

TECHNIP, France's leading project engineering company, has received a contract from the French subsidiary of Generela Foods of the U.S. to design and build a FFr 140m (£12m) chewing gum factory to be located near Chatellerault in western central France. Davi dMarsh writes from Paris.

The new contract is the third big new order to be announced this month for Technip, which lost FFr 182m last year. The other two contracts are for the fertiliser section of a Moroccan phosphate plant south of Casablanca, and to carry out a $396m dael to build a refinery in Iraq.

## Sri Lanka loan backed

THE Exports Credits Guarantee Department has guaranteed a £12.7m loan to help finance sugar processing equipment for Sri Lanka. The contracts have been awarded by Pelwatte Sugar to Booker Agriculture International of London while Fletcher and Stewart of Derby are nominated sub-contractors under a contract between Pelwatte Sugar and Kerry Engineering of Hong Kong.

Finance has been arranged by Wardley London and is being made available by Wardley London, Standard Chartered Bank and International Commercial Bank to Bank of Ceylon.

**Tony Walker** reports on plans to revive the war-torn economy

## Lebanon tries to woo back investors

MR SAMI MAROUN is a man with what some might regard as an impossible mission. His task is to restore the confidence of foreign investors in war-shattered Lebanon, to encourage the re-birth of export-oriented industries and to attract tourism.

The latter might sound like a bad joke in a country that cannot even guarantee minimum security for its own citizens. But Mr Maroun, a long-time friend of Lebanese President Amin Gemayel, is confident that if peace can be restored, Lebanon is not beyond reasserting its role as a Middle East centre of business and pleasure.

As head of the newly-established Council for Foreign Economic Relations, effectively the Foreign Trade Ministry, Mr Maroun, who describes himself as a self-made man, must at least be given marks for trying. *Almost 10 years of war have* paralysed the country's once robust foreign trade system.

It is a measure of Lebanon's resilience that it is daring to *plan again for a more stable* future and is actually setting in motion new regulations and programmes to encourage trade and investment, even if present circumstances appear bleak.

"Due to the political situation in Lebanon no one is expecting new investment," Mr Maroun said in a recent interview. "But *what is important is not to lose* time and to start setting up adequate legislation which will attract foreign investors when security is re-established."

*If the 41-year-old Mr Maroun* has a dream it is that Lebanon will rise from the ashes with a revitalised banking system and advanced industries capable of taking advantage of Arab markets.

"Foreign investors should not forget that Switzerland was born in similar circumstances (after years of conflict)," he says.

'It is significant that nobody at any moment of the war has called into question the economic system of Lebanon based on free enterprise, trade and no exchange controls'

Mr Maroun, who started his own bank—a partnership with Bulgaria—when he was in his early twenties, sees his most immediate task as that of helping to restore Lebanon's once buoyant trading position eroded by years of war.

Since June, 1983, Lebanon's balance of payments has deteriorated sharply, according to Dr Abdullah Attieh of Beirut's Chamber of Commerce. The deficit recorded last year was about $800m (£610m). For the first three months of this year it was $200m.

It is estimated that, in the past year, some $2bn has left the country because, as Mr Maroun says, Lebanese lost hope *that things would improve.*

But with glimmers of confidence that the peace plan instituted by the new Lebanese government of national unity *under Mr Rashid Karami may* succeed, some investors' funds are trickling back into the country.

In its attempts to attract *foreign investment,* Lebanon is offering perhaps the world's most generous incentives for investors to establish enterprises in five "free industrial zones" under regulations introduced earlier this year.

"The foreign investor will not pay Customs duty on imported raw materials or income tax, forever, provided he sells abroad," said Mr Maroun, "and he will be able to bring in as many foreigners as he likes to work in his factory."

Recognising the likely reluctance of investors to put money into a country that for years has been *torn apart* by *sectarian* strife, Lebanon is offering subsidised insurance under an investment guarantee scheme

And exporters will have the assistance of an export credit organisation similar *in* its operation to France's Coface and the British Export Credits Guarantee Department. In an effort to revitalise the stock exchange, stricter regulation is planned under a new securities control commission.

Mr Maroun is the first to admit Lebanon is far from reasserting its role as the commercial hub of the Middle East and that, apart from the need to restore security, vast *funds (about $20bn) are needed* to repair war damage. All this, he notes, will provide business for foreign contractors and suppliers of equipment.

*He insists, in the face of* sceptical questioning, that "Lebanon will never lose its place as an intermediary between the Arab and occidental worlds" and that "foreign companies will come back to Lebanon."

"It is very significant that nobody at any moment of the war has called in question the economic system of Lebanon based on free enterprise, trade and no exchange controls," he said.

Mr Maroum said that, while Lebanon's once much-vaunted international banking system may have been rocked by the war, Lebanese banks are "stronger than ever" in places like France and the U.S.

Lebanon is afflicted by stagflation, an unemployment rate *of about the order of 20-25 per* cent and the loss of thousands of skilled workers who have simply fled the country.

Lebanese exports in 1983 were *half those of 1982.* Mr Maroun's organisation calculates that about $4bn in trade revenue has been lost since the fighting began.

But, despite all the difficulties, Mr Maroun remains confident that Lebanese enterprise will triumph. "The capacity to handle international business," he says, "is in our blood."

## Coal demand 'will continue to rise'

BY ANDREW GOWERS

THERE IS every sign that the non-Communist world coal market will continue to recover now from the severe setback it experienced in the early 1980s, according to the latest coal review* from Chase Manhattan Bank's team of energy analysts.

Economic recovery, expected rises in demand for electricity and in production of steel and cement, and the completion of industry's adjustment to higher *energy costs all point to* increased coal consumption in the future, the bank says after a careful analysis of the events of the past decade.

According to its figures, coal consumption in the non-Communist world, which had been declining steadily in the 1960s and early 1970s, grew at an annual rate of 2.8 per cent between the two oil price shocks of 1973 and 1979, and even faster after the second increase. But it then fell by 0.6 per cent between 1981 and 1982 and only rose marginally last year.

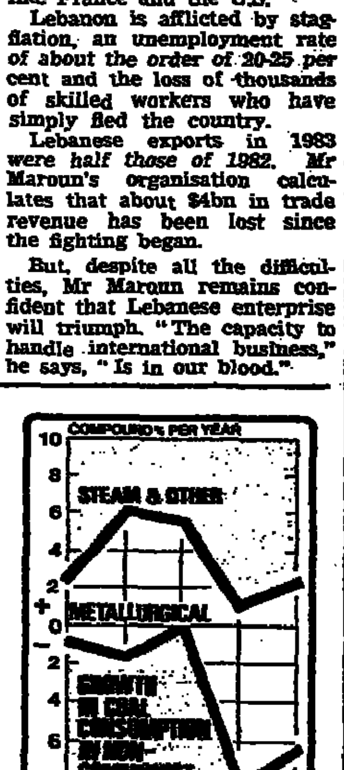
The switchback, argues Chase, reflects contradictory effects from the oil price rises:

- On the one hand, the 1973 increase was a real boom to coal, in the it encouraged utilities, for example, to switch to the fuel for power generation.
- On the other, the ripples from the price shocks—particularly the slump in the steel industry to which they contributed—depressed the already sluggish market for coking coal.

In fact, as the bank's figures show, the consumption of coal to create steam or generate power and heat has risen at annual rates of up to 6 per cent since 1973—although growth has been considerably slower since 1981, mainly as a result of general energy conservation efforts by industry and a levelling-off in demand for electricity.

*Demand for coking coal,* by contrast, has been stagnant or declining since 1973, and has plunged at an annual rate of between 6 and 8 per cent since 1981. Significantly, the decrease is concentrated in the industrialised world: in developing countries, Chase says, demand for coal never stopped growing.

**The Coal Situation, Chase Manhattan, New York, NY, 10081.*



## Poles start to make tractor 10 years on...

*By Leslie Colitt in Warsaw*

MASSEY-FERGUSON Tractors with Perkins Engines made, in part, in Poland have gone into *modest series production at the* Ursus tractor factory in Warsaw 10 years after work began on a contract valued then at £150m which gave Poland licences to produce a family of tractors and engines.

However, only five tractors a day will roll off the new assembly line, hitting 25 by the end of the year. Last year a mere 500 Massey-Ferguson tractors were turned out from imported UK components.

A Polish newspaper Tu I Teraz said the event should not have been celebrated but rather was a "sad lesson for the future."

Some Polish economists regard the western licence to be one of the biggest "white elephants" in a small herd of them unleased under the *disgraced former Polish leader,* Mr Edward Gierek, using cheap western loans.

Mr Wojciech Ziolek, director of production at Ursus, noted yesterday he has had little time to mourn the costly delays as all his efforts have gone into overcoming them.

Everything went wrong that could with the project. The entire infrastructure was lacking and only the recent completion of the foundry enabled the start of series production.

Crated machine tools from the West stood about for years waiting for factories to be built around them. Mr Ziolek said the long storage took its toll in ageing plastic and rubber parts, hydraulic systems and electronics.

Martial law in December, 1981 did not help as all credits were subsequently frozen to Poland. Mr Ziolek said this further delayed production by about two years although co-operation with Massey-Ferguson and Perkins continued.

As a result the tractor factories are built but not yet equipped to produce exterior *metal* parts. Although Ursus will receive machine tools from East Germany the delay will limit production of Massey-Ferguson tractors next year to 7,000 units in addition to some 60,000 Ursus tractors.

A Massey-Ferguson delegation headed by Mr Denis Eassom is to arrive August 27 to negotiate a new capital co-operation agreement with Ursus.

# MANAGEMENT

EDITED BY CHRISTOPHER LORENZ

Advertising

## How HMS got the thumbs-up

**British Rail has split its account between three agencies. Feona McEwan reports**

TO WIN ONE of the year's most coveted accounts is a coup for any ad agency. But for J. Walter Thompson and Hedger Mitchell Stark, two of the three agencies which last week landed the British Rail corporate and passenger account, victory was doubly worthy of celebration.

For JWT, which gets the lion's share, £5m—its biggest single new contract for 15 years—it was also sweet revenge for its controversial loss of the prime Guinness account in 1979 to Allen Brady Marsh; it is ABM which now loses the BR account.

For HMS, with £3m, came the thrill of pipping to the post many much larger and better known agencies. It is by far the smallest member of the trio, ranking number 55 in the campaign billings league table, and with a staff of only 40.

BR's decision to drop ABM, which gave us the tuneful "Age of the train" (complete with Jimmy Savile's thumbs-up) follows the breaking of its business into five sectors.

In what is a highly unusual arrangement, JWT and HMS will collaborate on improving BR's reputation at the corporate level. Boese Massimi Pollitt, the "winner of the bronze medal," as its deputy managing director puts it—in the form of a £1m contract—will develop a new support operation to cover local areas and stations.

The naming of the three victors ended a three-month hiatus which had begun with a marathon review by BR of 26 agencies.

BR certainly took no chances. Ross Furby, BR's head of advertising, visited all 26 agencies before drawing up a long list of 15. The brief was specific enough—"superb prize-winning creativity, not trite, but based on sound analytical skills to reach the right strategy." He was also seeking a "chemistry," both between BR and possible agencies, and between agencies themselves.

As with many a marriage the HMS connection had begun as a brief flirtation some months before. Creative head Jeff Stark had worked on the Red Star parcels campaign during his time at Saatchi and Saatchi before he joined HMS in 1982. BR followed him, giving HMS the Gatwick Express to launch, a project worth about £200,000.

Ashley Ashwood

Dick Hedger of Hedger Mitchell Start: "There's no part of the rail system we didn't visit"

"I think BR was quite pleased with that," says chairman Dick Hedger. Soon after came the Scotrail project, a special promotion of Scotland's rail services, which tested the agency's efficiency with a 10-day turnround and a lengthy 49-item job specification.

But these were one-offs. Then came rumblings of a major review of the corporate and passenger advertising account. This has resided with ABM since 1979, where it remains until the end of the year. Times, and railways, it seems, have changed since the Marsh era of corporate image building, and BR's marketing needs seem to want new direction: a sharper commercialism at local level, reflected in an improved reputation at national level, and a general gingering-up of the BR brand.

Furby describes BR as a "very competitive marketing scenario with competitors who spend hugely—cars, coaches and airlines. As with consumer goods we're all vying for our share of the leisure purse," he says. "We're nearer to McDonalds than people would think. Our stations are retail stores."

Once on the long list, HMS set out to convince BR that, despite its modest size, it was as able to carry out major jobs as one-off projects. It put together a tailor-made video arguing its case, on the simple and shameless lines of "why we are the best agency for you."

These were the credentials: the clients (IBM, ICI, Distillers, Reed International, Nabisco, Grand Metropolitan); the media buying (independent monitor Media Audits had judged the HMS performance highly in the particularly crowded beer market); the international connection (the tie-up with the Swiss-based GGK network with its 14 offices scattered across Europe, two of which have handled national railway accounts); the billings (£16m boosted to £40m by the GGK link); and the prizes (HMS claims to have won more awards than any other agency in town—there's Fosters and Olivetti for a start—the latter brought in 2,250 telephone calls on the direct response number, outstripping even tellydiscs).

HMS also put forward a few home truths about consumers' views of BR. Complaints about staff rudeness and laziness underlined a basic negative attitude towards the railway—"conditioned apathy" Stark calls it. Trains are not "top of mind" even though they are recognised as convenient, frequent and safe. The problem is that people don't love BR, but the agency suggested that if the client said the right things, this could change.

HMS then requested a meeting with BR's chairman, the only agency, it believes to do so. Bob Reid impressed the contingent with his single-mindedness and positive approach to making the railway more of a commercial business, and less of a state-run monopoly.

It worked. In May the hotly contested pitch narrowed the field to four, the three eventual winners plus Wight Collins Rutherford Scott (WCRS).

At this stage, it was a case of whether to pitch creatively or not. Like WCRS which declines to do so (and which in this case may well have cost it the account), HMS is unenthusiastic about these dry runs. "The client is buying an agency, not an ad," says Hedger, who prefers to get to work once the marriage is sealed "in an atmosphere of trust and confidence." But in this heated battle HMS recognised the need to display its strongest cards.

Preparation for the two-hour presentation to 14 board members was nothing if not comprehensive. A month of thinking, analysing and researching was done before a strategy was reached and creative work could begin.

The productivity of the four teams of art directors and copywriters was startling (though familiar enough to every top agency). It must have taken several BR luggage trolleys to wheel in all the storyboards, poster mock-ups, commercials, and research findings. The three weighty tonnes of research included a revealing account of the various field trips made by agency staff—"there's no part of the rail system we didn't visit"—complete with a critique of stations and journeys.

The division of the campaign into three agencies working together on the same account is highly unusual in Britain, but Furby is optimistic that the chemistry is right. "Rivalry with co-operation" is how one party describes it. "It keeps us on our toes," says Hedger.

## Rich sport, poor arts

**Arthur Sandles on business sponsorship**

IT IS NOT without piquancy that as the curtain fell on the laser-lit extravaganza of the Olympic Games' final evening, another event of Olympian stature was unveiling its first offerings. The contrast could hardly be greater. As Los Angeles bade a lavish farewell to the athletes, Edinburgh City Council was struggling with its political conscience, and its purse-strings.

The financial aspects of the two events are vastly different. Commerce and industry are prepared to back the world's sports stars to a remarkable extent, while the arts stumble fitfully from year to year. The arts have yet to come to terms with sponsorship, and sponsors it seems, are wary of the arts.

It would have been a sleepy viewer who failed to register that Coca Cola was heavily involved in the Olympics and that the British medal winners tended to wear Adidas shirts. But when the Edinburgh Festival ends, memories of its larger sponsors might be more difficult to find. For the record they include Rank Xerox, Seagram, British Airways, the Bank of Scotland, British Rail, Total Oil Marine, IBM, the Clydesdale Bank and Glenlivet whisky.

The problems Glenlivet encountered at Edinburgh in 1983 make its appearance in 1984 impressive. The company last year sponsored the final fireworks show and is repeating the experience this month. In terms of the numbers who turned up for the event it was the most successful of the Festival. But when the BBC arrived to screen it for a wider audience, problems arose. The organisation that gives us hours of the Cornhill cricket Test matches, with a ring of advertising hoardings, threatened a television boycott unless references to Glenlivet were removed from view.

References to the company were also absent from Fleet Street reviews; yet the sports pages normally show no such reticence.

Lessened opportunity for promotion leads inevitably to a reduced enthusiasm for involvement. However, both the arts and sponsors are showing signs of learning about each other's problems. Colin Tweedy, director of Britain's Association for Business Sponsorship of the Arts, told an ISBA-sponsored conference earlier this year that since 1976 money spent on arts sponsorship in the UK had risen from £500,000 to £14m. In spite of the difficulties, sponsors were finding some areas extremely useful marketing weapons

"We do believe that arts sponsorship is a cost effective way of showing that you are a caring company," Tweedy said. "It is also useful for clear target markets. In the case of young people, many go to more arts events than to sports events."

Tweedy is not blind to the problems. Sport has a mass market potential which is often denied to music or an art exhibition. But there is also a misunderstanding of timing and motives. "Companies need at least six months to a year to make decisions," says Tweedy. Sometimes arts organisers get within two months of an event before thinking about sponsorship.

Advertising agencies in particular are worried by senior directors or executives of client companies who, instead of seeing the arts as commercially exploitable, have a pet cause they wish to support with corporate money.

"I think there is an immense amount of confusion between sponsorship and patronage," says Peter Warren of Ogilvy & Mather. "There is a legitimate place for an agency in the area of sponsorship, but my advice to my colleagues in the advertising industry is to steer clear of patronage. If a company

However, sponsorship need not be as brutal as the comparison with patronage implies. American Express, which is about to present the Vermeer and de Hooch exhibition at the Royal Academy in London, and Pearson with its pre-Raphaelite exhibition at the Tate in the Spring, are examples of the ways in which companies can be shown to be human and at the same time appeal to the very people who might buy the products, use the services or invest in stock of the groups concerned.

So the arts and business are beginning to learn to live together. Perhaps when the Press and the television companies come to understand the seriousness of that interdependence, the present flirtation will grow into something more lasting.

## Nestle seeks new ground

**Lisa Wood reports on the UK coffee war**

THE prospect of casualties in the British ground coffee market has sharply increased with the decision, by Nestle, the Swiss multinational, to join the fray htis September. It will be backing its belated entry over the following 12 months with a £42.5m advertising campaign, one of its biggest UK spends on a single product.

Roast and ground coffee is currently one of the fastest growing sectors of the UK hot beverages market, and now accounts for £45m a year, 11 per cent of total coffee sales. By contrast, instant coffee, in which Nestle is the strong market leader, with 48 per cent, is showing scarcely any real expansion.

It was this obvious market opportunity which last winter promoted Nestle's main competitor in Europe, General Foods of the U.S., to launch its own Maxwell House Master Blend in Britain. This brought to 10 the number of brands on sale—a few years ago there were only three.

Lyons-Tetley, a division of the Allied Lyons group, is managing to maintain its early brand leadership, but has seen its hold on ground coffee sales encroached upon in recent years by the string of new competitors. As well as General Foods, these include Kenco (Cadbury Schweppes), Melitta and Douwe Egberts.

General Foods, which is spending about £4m this year promoting Master Blend, said at the time of its launch that it was prepared to lose money initially to establish brand leadership within the next four to five years.

Nestle had apparently not intended to launch a ground coffee in the UK at all, partly because of the intensity of exiesting competition. But it then discovered that increasing numbers of customers for Gold Blend instant coffee—which sells at the very top end of the price range—were drinking ground coffee as well.

Subsequent market resarch, Nestle reports, revealed an unfilled demand among these "dual coffee users" for a complementary product in the ground coffee market. It is this niche which Nestle claims it is uniquely suited to fill, given the "quality" image of its instant coffee range. But the "niche" seems a large one; Nestle is aiming for a market share of 10 per cent.

Its ground coffee range will be packed in impressively glossy boxes and marketed under the luxury Gold Blend label, carrying a retail price of about £1.60 for an 8 ounce pack. This will make it considerably dearer than the competition, whose prices in general range from just over £1 to approximately £1.40.

In addition to the £4.5m advertising campaign for Gold Blend ground coffee—to be handled by Leo Burnett—the existing Gold Blend range of instant coffee will be receiving some £3.5m in promotional support in an attempt to reinforce the quality image of the brand name.

# TECHNOLOGY

EDITED BY ALAN CANE

COMPUTER BASED PUBLISHING FOR THE 1990e AS SEEN BY A MAJOR U.S. HARDWARE MAKER

## Vision of an electronic first edition

BY PETER MARSH

ATEX of the U.S., one of the leading suppliers of computerised hardware for the publishing industry, has provided a vision of how the newspapers and magazines of the 1990s may operate.

A single computer system would contain data about all the material to be printed on each page of the newspaper-graphics, pictures and advertising copy together with text.

Journalists and people from the newspaper's advertising department would insert information into the system with terminals, each comprising a keyboard and screen. Other workers would arrange the material into the correct format using their own computer hardware.

The computer system, which Atex calls a "production node," would drive a laser machine that translates impressions of words and illustrations directly to a photographic chemical coated on a printing plate. After development and etching, a negative image of a page would appear on the plate, made from metal or plastic, which would then pass to the conventional printing stage.

The computer system would simplify the arrangements in even the most technically innovative of today's newspapers and magazines. In these, a computer contains data simply about text. It controls a laser that "prints" onto photographic film.

Artwork and other illustrations then have to be set manually alongside the film to represent how the final page will look. In a separate process, the material (combining text and illustrations) is photographed and converted into the plate to be used in printing.

Atex wants to demonstrate the production node by the end of next year. It aims to sell systems in 1986.

But to develop the hardware will be difficult. Computers with a huge memory capacity will be needed. Atex says that the information in an average daily newspaper, expressed in computer terms, may add up to 32bn binary digits.

A still more daunting task is to develop software commands such that workers can easily and quickly either add information to the system or find out data already stored in the hardware.

The Atex graphics display system is the centre of page design and layout for planning newspapers. It can be used for text editing as well as graphic design such are the possibilities for publishing with computer systems

Such are the production deadlines for many newspapers and magazines that the system must be able to respond to requests for information very quickly. If, for example, a journalist wants to check, using the screen of his computer terminal, details of text already written by another reporter, he may be dissatisfied with a delay of even one second.

To produce systems that can handle both text and graphics is particularly difficult. Hardware of this kind is essential if the publishing industry is to move to machinery that in one sequence produces printing plates which contain both kinds of information.

Mr Iain Houghton, of Xenotron (a British rival to Atex in computers for publishing), says that no newspaper or magazine in the world routinely uses hardware that makes printing plates in this way. Instead, text and artwork are transferred onto the plate in two separate processes.

Mr Houghton, whose company is in Diss, Norfolk, estimates that half a dozen publishers may occasionally produce a plate in a single process, for a demonstration or for a special series of articles. But the technology needed to turn this into a routine part of the publisher's operation has still to be developed.

Atex, owned by Eastman Kodak and based in Boston (with a British subsidiary in Leighton Buzzard, Bedfordshire), has annual sales of about $100m. It has sold hardware to some 360 printing and publishing companies around the world.

A large proportion of the installations comprises typesetting hardware, operated via keyboards either by journalists or printers. Some publishers have found it economic to bypass the use of print workers to set material. Reporters type material on to a screen—other journalists, with similar terminals, put this into the format that is required for the printed page.

In the UK, Atex has sold a couple of dozen typesetting systems. A 40-terminal system could cost anything between £250,000 and £1m, depending on the sophistication of the hardware. In all the British installations but one, the hardware is controlled by printers rather than journalists.

The exception is The Economist of London where journalists set their stories using their own computer equipment. The information is then, however, translated to paper. This is handed to a team of printers who reset the material with near-identical Atex hardware.

In its strategy for the future, Atex is trying to integrate this straightforward "data capture" activity with other parts of the publishing operation.

For example, Atex is testing at newspapers in Frankfurt, Minneapolis and Philadelphia a news layout system. With the equipment, journalists design the appearance of a page of a newspaper or magazine. They can move around (on a facsimile of a printed page that appears on a display screen) articles and other material until they are happy with the look of the page.

The company is also developing pagination equipment for classified and display adverts. The hardware sorts out the positions on a page of such adverts, either according to a set program or as a result of individual instructions by advertising staff.

Atex has installed machinery that automatically positions classified adverts in up to perhaps 30 different categories.

AMD LINKS WITH LSI LOGIC

## Silicon structures for custom chips

BY ELAINE WILLIAMS

LSI LOGIC, a three-year-old silicon chip company has signed an important second supply deal with Advanced Micro Devices, AMD, one of the leading electronics companies in the U.S.

AMD has agree to co-operate with LSI Logic on the development of the latest concept in custom circuit design called silicon structures. Such circuits are usually special silicon chips which are designed for one customer in relatively low volume for a piece of proprietary equipment.

LSI Logic wants to offer customers a design facility using the idea of silicon structures. This is where companies store libraries on a large computer of the simple and complex components which make up a silicon circuit. This ranges from single transistors through to complete microprocessors stored as digits in the computer.

Stored in this form, designers can pick any combination of elements to build the desired circuit. Also it is possible to test the performance of the circuit before it is made using test simulation computer programs.

Today some companies are more advanced in their use of stores of mainly the basic elements not complex ones. For examples, Zymos in California developed a silicon structures system several years ago. Inmos in the UK designed its transputer using these techniques.

Plessey and ICL are known to be working on a collaborative effort to produce their own system and Ferranti is kpen to do so. Lattice Logic, a small Edinburgh company which develops the software to design custom chips, has applied for a grant from the Alvey Committee to develop programs to produce silicon structures.

Mr David Eglin, finance director of Lattice Logic, said that silicon structures would have a limited role in custom design circuits. This is because they have the disadvantage that in producing a single chip where conventional, cheap, mass-produced circuits, are concerned several compromises in aspects of the design, for example on the size of memory, have to be made.

One of the more popular ways of producing custom circuits fast and at relatively low cost is to use circuits which contain hundreds of standard elements by mass production techniques. All but the final interconnection layer can be made this way. The customer specifies how the elements are to be joined.

Ferranti in the UK was the first to use this technique with its uncommitted logic array or ULA. Last month PA Technology, part of PA consultancy group, announced an investment in a UK custom design facility in Cambridge. LSI Logic is also selling its services using this concept.

LSI Logic will invest up to $50m this year in capital equipment. In December LSI Logic

> LSI Logic will invest up to U.S.$50m this year in capital equipment.

opened its first European design centre in the UK at Bracknell. Within a year or so this will be able to assemble and test chips designed there too.

Last year LSI Logic invested $25m in the construction of a large wafer fabrication plant in Santa Clara, California. By the summer, the first U.S. test and assembly plant will operate in Fremont, California.

LSI Logic was formed three years ago by Wilfred Corrigan, former chairman and chief executive officer of Fairchild Camera and Instrument, Rob Walker, previously of Intel, and two ex-Synertek men, Mitchell Bohn and William O'Meara.

It presently offers custom-design circuits produced in the way of Ferranti. It has about 24 basic wafers for making various silicon chips but it sees the silicon-structures approach as the main direction for the future.

This year the company expects to have a turnover of between $85m and $100m of which 10 per cent is likely to be accounted for by the European market.

Design

## Image links to CAD systems

DIGITHURST of Royston, Hertfordshire, has developed software to link its Microsight TV-based imaging equipment to the Autocad computer-aided design system.

An object is placed in front of the Microsight camera and is digitised, that is, each picture element (pixel) is given a digital code which is held in a solid state store. The edges of the object are derived by subsequent electronics and the boundaries are translated into "vectors" (lines which can be drawn directly on a screen).

These vectors are in the same format as the Autocad storage file and so can be merged with existing drawings.

At the same moment. Autodesk, the originator of Autocad, has selected the PC1024 from Cambridge Computer Graphics as an optional high resolution graphics screen for the system. It was developed specifically for the IBM XT personal computer and has a 20-inch, monochrome screen offering a resolution of 1024 x 780 pixels. It can draw vectors at 900,000 pixels per second and is also equipped with a full ASCII character set. Digithurst is on 02233 208926, Cambridge Computer Graphics on 0223 214444.

## JOBS COLUMN

# Mystery of missing information technologists

BY MICHAEL DIXON

WHILE disturbed by British employers' complaints that there is a severe shortage of information technologists, I have a certain problem. I'm far from sure what information technologists are. What's more, inquiries over the past few days suggest that most people are in the same pickle.

The Shorter Oxford Dictionary indicates that technologists are pleople who apply some "practical art." In this case they presumably apply it to information. That, as it happens, is what I do. But although I'd like to, I cannot believe that the captains of industry are desperate for more Jobs Columns.

The best explanation offered so far is that the shortage is of people who understand both the hardware and the software of computer systems well enough to put them to profitable uses, including the innovation of new products and services. In which case there arises another question because such people clearly have to know two different kinds of things.

On the one hand they have to know the ins and outs of computer systems. On the other they must know enough of what goes on in the industry concerned to understand where and how the systems can be usefully applied. If they are to be innovators in particular, their industrial knowledge must be sufficient to enable them to spot the gaps in the market, which their company is capable of exploiting new products or services.

So if we are to overcome the shortage by producing more information technologists, at which end should we start? Is the industrial kind of knowledge more fundamental to doing the work well than the electronics knowledge, or is it the other way round?

The assumption evidently made by the employers who complain they are being held back by the shortage, is that the electronics knowledge must come first. The best way to provide the missing workers is therefore to take young people who have done well in the academic examinations at the end of 13 years of full-time schooling and put them through a further degree course in computer studies at a university or polytechnic, or perhaps at a special college set up by employers independently of the state education system.

But I have my doubts about that. It seems at least equally reasonable to suppose that people would be more motivated as well as better placed usefully to learn the electronics if they had first acquired an understanding of the industrial context in which the computer knowledge has to be applied.

Before the taxpayers or employers cough up for further increases in degree courses to be taken by school-leavers, it would surely be worth considering the alternative of a system of industrial apprenticeships interwoven with theoretical studies of the relevant electronics.

## Trust developer

BETTER late than never, I suppose. Other avenues having proved to be dead ends, the National Trust has come to this corner of the FT seeking a chief for its commercial activities. They consist mostly of shops and a mail order business at the moment, but are seen as ripe for development in new directions.

The job is being offered because of the impending retirement of the present chief, Roy Preece, the trust's director of trading based at Westbury in Wiltshire. Since the commercial activities are being put on a rather different footing, however, the newcomer will have the title of Managing Director, National Trust Enterprises and will work from London although spending a good deal of time at the Wiltshire administrative centre.

There are about two dozen staff at the centre. In addition, the recruit's domain will include the shops at the trust's various properties in England and Wales, which are largely opened for only part of the year, and its town shops which run the whole year round. Taken together these employ 400-500 people, mostly on a seasonal basis.

As one of seven senior executives, the incoming director will be a member of the management board. But the main task will be to find and put into effect ways of getting increased income from the trust's assets—ways, moreover, which will be accepted as in keeping with the image of such an august body.

So candidates need well developed political sensitivity as well as success as innovative general managers in business. Experience of retailing well designed products is essential, but people familiar with other aspects of trading will have an advantage.

Salary around £25,000 with car among other benefits.

Written inquiries only to Ivor Blomfield, Secretary, National Trust, 36 Queen Anne's Gate, London SW1H 9AS.

## Mixed pair

HEADHUNTER Dirk Degenhart is offering an assorted pair of jobs.

The first is for a recruitment consultant in his own company. It is occupied both in advertisement-based selection and executive search on behalf of would-be employers, and has associate consultants in Amsterdam, Vienna and Zurich.

Candidates should have experience in recruiting managers and high-grade specialist staff preferably for a wide range of industries, but with specific emphasis on electronics and electronics engineers and the like, presumably including information technologists. If so, besides applying to Mr Degenhart, they might like to supply this column with a precise definition of that rare breed.

Salary for the post, which requires frequent evening and weekend work, is upward of £25,000 plus bonus on results. Other benefits negotiable.

The second post, also based in London, is for the UK sales manager of the subsidiary of a multinational maker of capital equipment for medical uses. Since Dirk Degenhart may not name the company, he promises to abide by any applicant's request not to be identified to the employer at this stage. The same is promised by the other headhunter to be mentioned later.

The recruit will be responsible for increasing the volume and profitability of the £17m-turnover subsidiary's sales through the field force under the regional sales manager. Other key tasks are developing new outlets and product opportunities, and carrying through promotional exercises.

Candidates need success in selling as well as managing the the sales of capital goods involving electronics, preferably in the medical area.

Salary up to £27,000. Other benefits for negotiation.

Inquiries to Dirk Degenhart and Partners, 4 Priory Gardens, London W4 1TT; telephone 01-994 2157 or 7620, telex 8952423 Grooms.

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A FINANCIAL director is wanted by Geoffrey King of Cambridge Executive Search for a £6m-turnover British high-technology company based in the northern Home Counties. It has associated companies in Japan, Australia and South Africa.

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Written inquiries to Mr King's new London address: 8 Queen's Gate Place, London SW7 5NU.

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# COAL TRADERS CENTRAL LONDON

A multi-million pound energy trading company (oil and coal), based in Scandinavia, is expanding it's established activities in worldwide energy coal trading and services, and can offer interesting opportunities for two persons of the highest calibre working as part of their UK representative team. A reasonable amount of overseas travel is envisaged for both positions.

### COAL TRADER

Candidates, probably aged 27-35 demonstrating a proven trading record, must have existing good contacts within the international coal markets and be interested to develop and expand them. Must also have gained sound knowledge of documentary aspects in particular, shipping and banking. This is a challenging opportunity for a self-motivated, mature and positive individual, reflected by a competitive remuneration.

### ASSISTANT COAL TRADER

Candidates, probably aged 23-28, should have a strong academic background, with at least 2 years' experience in a competitive trading environment, preferably in an energy or shipping-related field. Your responsibilities will include world-wide scope of trading within the existing network, and assisting in the development of new client relationships. Your personal attributes should include creative energy, numeracy and strong communicative ability. The remuneration package will be attractive for those candidates with the urge to enter a position with considerable career potential.

Please write, in strictest confidence, with comprehensive C.V. to:
Box A8714, Financial Times, 10 Cannon Street, London, EC4P 4BY

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# Phillips & Drew

## PRIVATE CLIENT MANAGERS

We are expanding our Private Client Department and are looking for managers to join our existing professional team.

All applicants should have several years experience of managing private client funds on a discretionary or non-discretionary basis.

Two of the positions we are seeking to fill will be of particular interest to those are in regular telephone contact with active trading clients.

Remuneration will not be a problem for successful candidates.

Please apply in confidence to:

**Peter Harrison, Phillips & Drew,**
**120 Moorgate, London EC2M 6XP.**
**Telephone number: 01-628 4444.**

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## We help you find THE RIGHT JOB!

If you are a redundant or "slightly used" executive or have some other career problem, we can help you by offering a **Career Development** service which produces outstanding results. Our unique **guarantee** assures clients of rewarding careers, obtained mainly from the unpublished job market. Telephone for a free confidential appointment — or send us your c.v.

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The Professionals in Career Development

We are also specialists in "Outplacement" for organisations, through our Group Company Lander Corporate Services Ltd.

London: 01-580 6771 35-37 Fitzroy St., W1P 5AF.
Bristol: 0272 22367, Maggs House, 78 Queen's Rd., BS8 1QX.
Birmingham: 021-643 4830, The Rotunda, New Street.
Nottingham: 0602 584561, Gothic House, Barker Gate, NG1 1JU.
Manchester: 061-228 0089, Sunley Building, Piccadilly Plaza.
Newcastle: 0632 618861, 156-174 Sandyford Rd., Jesmond, NE2 1X6.
Glasgow: 041-332 1502, 141 West Nile St., G1 2RN.

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**Stockbroker's Assistant**

required by partner of medium sized Brokers. Knowledge of private client portfolios essential. Excellent prospects. Salary by arrangement.

*Apply in strict confidence to Box A8709, Financial Times 10 Cannon Street, London EC4P 4BY*

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**FOREX APPOINTMENTS**

For Forex/LIFFE/Money Market appointments at all levels discuss your needs, at no cost, with a specialist
TERENCE STEPHENSON
Prince Rupert House
9–10 College Hill
London EC4R 1AS
Tel: 01-248 0263
*20 years market experience*

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# INSTITUTIONAL SALES

Leading firm of international stockbrokers require an equity Sales Person for their Far East markets.

Candidates should have at least two years' experience in stockbroking and be between the ages of 28-35 years old. A competitive compensation package will be offered according to experience and ability.

Please reply in the first instance to :—

Box A8716 Financial Times
10 Cannon Street, London EC4P 4BY.

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## Qualified Management Accountants

£15,000 to £18,000 + Exc Bens.

Specialists, in Management reporting, gained within a banking, leasing or similar City Financial Institution, are sought for several City-based vacancies. Preference will be given to candidates aged c 30 years, with ACA/ACMA qualifications plus at least 2 years Management accounting systems experience, with good man management skills.
Please contact Norma Given.

## Eurobond Sales/Trading

£ Negotiable

A number of positions exist for senior bond sales/traders with top class track records, capable of high earning potential in a broking environment. Positions also exist for junior and intermediate sales/traders for both banking and broking institutions.
Please contact Bryan Sales.

## Dealing Positions

Neg. £15-25,000 PA.

We seek on behalf of our clients, major European and American banks, young dealers showing potential at this early stage of their career. Experience preferably encompassing major currency spots, interbanks, and currency swaps is ideal.
Please contact Diana Warner.

## Credit Analysts

£10,000/13,000

We have several vacancies with City banks for high calibre candidates of AIB/Degree level and several years corporate analysis experience gained in Banking or Leasing. Preference would be given if experience included both UK and international eurocurrency, lending and documentation skills.
Please contact Norma Given.

Please telephone for further information, or forward a detailed curriculum vitae. All applications will be treated with strict confidence. Jonathan Wren and Co, 170 Bishopsgate, EC2M 4LX. Telephone 01-623 1266.

Jonathan Wren
BANKING APPOINTMENTS

# Appointments Wanted

**SALESMAN**
**AGED 38**

Whether inverted in the Antipodes or something more dignified somewhere else in the world, Scottish landowner seeks challenging employment/partnership. Well educated, City experience. Travelled extensively including Middle East. Just finished turning round family estate.

*Tel. 0482 52179 or write Box A.8715, Financial Times 10 Cannon Street, London EC4P 4BY*

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WHERE ARE THE 70% UNADVERTISED POSITIONS?

**PERSONNEL DIRECTOR**

mid-40s, seeks demanding position. Extensive general experience, in particular industrial relations. Negotiations at national level. Manufacturing environment. Track record profit achievement. Would consider consultant work.

*Write Box A.8713, Financial Times 10 Cannon Street, London EC4P 4BY*

# Accountancy Appointments

## ACCOUNTANTS FOR CONSULTANCY

*£15-28,000 +car*

Seeking a career move which will broaden your experience, develop your business and technical skills, and offer an exciting challenge?

Then consider Management Consultancy with one of the leading UK firms (in either London or Birmingham), advising some of the country's most successful and innovative enterprises. It's demanding, creative work for you'll be helping them solve tough and complex problems; helping top management implement change and so improve efficiency and profitability.

Personal rewards are high. And not simply in terms of salary (which can start at up to £28,000) and job satisfaction. Because we also offer tailored training, excellent promotion prospects in a dynamic and professional environment, and the opportunity to work with specialists from other business disciplines.

Rapid expansion means we now seek additional graduates aged 26-35, qualified (ACA, ACCA, ACMA, IPFA), with a track record that demonstrates flair and achievement. Experience could have been gained in industry, commerce, or the public sector.

Take another step towards matching your ambition. Send full personal and career details (including daytime telephone number) to Geoffrey Thiel, quoting reference 1366/FT on both envelope and letter.

**Deloitte Haskins+Sells**
Management Consultants
128 Queen Victoria Street, London EC4P 4JX

## Finance and Planning Controller

**Age 28-32** **c£24,000+car+Benefits**

Our client is a £70 million autonomous profit centre within a major British Group. The company operates in fast-moving markets and is engaged in large scale moves to improve profits through development of consumer-demanded brands, packaging innovations and aggressive pricing policies which will achieve a further advance on competitors.

Reporting to the Managing Director and controlling an accounting and analytical staff of 16, you will join a young executive team of Operational Directors. As the senior finance professional you will drive and co-ordinate the improvement in returns on investment in such areas as buying, production, marketing, pricing policy and brand development.

Key tasks include:—

- ★ **Strategic financial input to business planning.**
- ★ **Improved measurement of profitability.**
- ★ **Co-ordination of key financial levers in pricing.**
- ★ **Development of longer term strategy.**

*Within a two to three year period there will be personal development prospects in finance and general management in this £1,000m turnover Group.*

Preference will be given to ACMA/ACCA with degree or MBA, who can demonstrate success at a senior management level within a fast-moving environment, ideally consumer goods, distribution or foods.

Relocation assistance will be provided to take up this appointment in Surrey.

*To apply, please call Bill Curteis BA, or write to him enclosing your C.V.*

**Personnel Resources**
75 GRAYS INN ROAD, WC1X 8US 01-242 6321

## SENIOR BOOKKEEPER ACCOUNTANT

To run accounts department of established medium-sized architectural/design office. Responsibilities include complete range of office management and accounts.

*Write with full CV to Box A.8712, Financial Times 10 Cannon Street London EC4P 4BY*

## CHIEF ACCOUNTANT BUCKINGHAMSHIRE

**£16,500 + CAR ALLOWANCE**

Our client, a subsidiary of a major International energy and mineral resources group has substantially completed a $95 million project to commence full scale production of a diamond mining venture in West Africa.

The company wishes to appoint a young Chartered or Certified Accountant who can take complete responsibility for the accounting function. Sophisticated computer systems are in operation both on site and in the U.K. This is an exceptional career opportunity based in an attractive rural location with planned project control visits of one week's duration to the site 4 times a year.

PROFILE REQUIREMENT

- A minimum of 3 years commercial experience with well developed skills in monthly financial reporting, budgeting, cash forecasting and meeting tight deadlines.
- Track record evidencing operating involvement with computers for the preparation of monthly financials and monitoring performance.
- Man management experience, good communication skills and an aptitude to delegate and obtain results from a small professional team.

**Please write in confidence with full c.v. to JOHN PHILIP-SMITH, F.C.A.**

**Harrison & Willis**
Cardinal House 39-40 Albemarle Street London W1X 3FD 01-629 4463

## FINANCIAL CONTROLLER

**c £13,500 + car + benefits** **Warwickshire**

My client is a small, highly successful, privately owned group of six companies, turnover £13m, with headquarters near Rugby. The Financial Controller will report to the Managing Director and will make a major contribution to commercial strategies and sustained growth.

Supported by a small competent staff and by well established data processing routines, he or she will take responsibility for the finance and accounting functions and will provide management with accurate and timely financial reports and information. Further development of data processing systems and more involvement in forward planning is envisaged. Our ideal applicant must therefore be a qualified accountant, (probably chartered) aged 30+ with a good breadth of experience, and the confidence and ambition to make a real personal impact.

Benefits, in addition to an excellent salary and company car, include annual bonus, non-contributory pension scheme and relocation assistance if required.

For more information and an application form please telephone **Tim Porte, Account Executive, Gayton Taylor Recruitment, 156 Upper New Walk, Leicester LE1 9EF. Tel: (0533) 556804.**

Please quote post ref TP/43.

GAYTON·TAYLOR
RECRUITMENT

## ASSISTANT TO FINANCE PARTNER

**c £16,000**

Our client, a large stockbroking partnership, seeks an ACA (mid to late 20s) with partnership potential. Some experience of the accounting, systems and tax affairs of brokers useful.

## FINANCIAL CONTROLLER

**LONDON c £14,500 + Car**

Our client, an expanding international design consultancy, seeks a bright, polished, young ACA with some pqe for a challenging position. (Ref GJPS 50).

## FINANCIAL ACCOUNTANT

**CITY c £13,500**

This Lloyds broker seeks a young newly qualified ACA for a role involving accounting and systems development. (Ref RM 16).

## INTERNAL AUDITOR—CITY

**To £13,500 + Mort**

Our client, a merchant bank in the forefront of current developments in the City, requires a newly qualified CA or confident finalist for an interesting role *looking at all aspects of the bank's business.*

**Badenoch & Clark**
Recruitment Consultants
16-18 New Bridge Street, London EC4V 6AU
Tel: 01-353 1867

## Young ACA Merchant Banking

**City based** **£15,000 + Bonus + Excellent bank Benefits**

As a result of promotion, an exceptional opportunity has arisen for a recently qualified ACA to join the management team of a major Merchant Bank.

Your role will involve the financial accounting of the banks' activities in general, with an emphasis on foreign trading, money markets positions, business development and corporate finance.

Ideally aged mid to late 20's with a desire to progress to line management you will have had experience of Banking Clients gained within one of the leading professional firms. To apply *please telephone or write quoting Ref: FT 8352.*

**Lloyd Chapman Associates**
123, New Bond Street, London W1Y 0HR 01-499 7761

## FINANCIAL DIRECTOR

**c. £20,000 + car** **EAST MIDLANDS**

Gent Limited, a subsidiary of MK Electric Group, is a market leader manufacturing a range of fire alarm and detection equipment, clocks and call systems. Our sales turnover of electrical and electronic products currently exceeds £12 million and we employ 500 people.

Reporting to and working closely with the Managing Director, the Financial Director will take responsibility for a wide finance function which as well as financial and accounting services and the development of computerisation within the Company, also includes customer liaison activities and important corporate planning responsibilities.

Candidates, fully qualified accountants educated to degree level, aged 30-45, must have at least three years previous experience in a senior financial management role within a manufacturing environment. Preference will be given to applicants with previous corporate financial and business planning experience.

Please write with full career and salary details to Fred Shaw, Managing Director, Gent Limited, Temple Road, Leicester, LE5 4JF.

**GENT**

## FINANCIAL CONTROLLER

We are an expanding Group of Companies in the field of International Shipping and Marketing, with several offices in the UK and Europe.

Our requirement is for a qualified accountant aged 28 to 35 ideally from a professional background with commercial experience.

The person appointed will be responsible for all management and financial accounts of the group's citrus marketing activities and will be required to take a very positive role in the use and interpretation of accounting information for the guidance of company management.

The successful candidate will report to a main board director and will be expected to have the potential for further personal development.

The starting salary is negotiable in the order of £20,000 plus benefits.

Please write in full confidence giving career information to Mr M. Chavush at Traverway Holdings Ltd, 398 Seven Sisters Road, London N4 2LX.

## Assistant Financial Controller

**West End** **c £15,000 + car**

Our client is a privately owned trading group with a substantial and growing international presence. There is a current requirement for a young financial executive to fulfill a challenging role and assist in the developments of the finance function.

Reporting to the Group Financial Controller, responsibilities will embrace all aspects of management accounting and financial reporting for the UK based service company. Some overseas travel is anticipated.

The successful candidate (aged mid 20's) will be a newly qualified accountant with a good professional background and a high level of technical expertise. A knowledge of computerised accounting techniques and general administrative duties is essential.

Applicants will be forward looking with a flexible personality and first class interpersonal skills. The potential to make a significant long term contribution to this progressive group will ensure excellent prospects for career advancement.

Candidates should write to Don Day, FCA, Executive Division, enclosing a comprehensive curriculum vitae, quoting reference 148, at Michael Page Partnership, 31 Southampton Row, London WC1B 5HY.

**MP**
**Michael Page Partnership**
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

## —OIL—

**Exploration & Production**

A number of major oil companies are currently seeking highly motivated, young graduate ACA's for such roles as:

- ★ **Assistant Business Controller £14,000+**
- ★ **Financial Analyst up to £15,000**

Offering excellent career prospects, these opportunities provide an ideal opening into this progressive and pressurised environment. For details call Jennifer Staddon.

**Personnel Resources**
75 GRAYS INN ROAD, WC1X 8US 01-242 6321

**ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY Rate £34.50 per Single Column Centimetre**

**Aquascutum** OF LONDON

## INTERNAL AUDITOR
## Chartered Accountant

This is a new post created to meet the challenges of an expanding international organisation. At the same time, the position will provide a company wide perspective as a necessary platform to a more senior role in the future.

The successful candidate will be responsible to the Financial Director for audit investigations of a wide and varied nature and will also work closely with the Chief Accountant. He/she will be allocated special assignments thus ensuring in-depth knowledge of our finance and accounting systems.

We would like to talk to individuals of the very highest calibre ideally in their 30's, who are Chartered Accountants with commercial experience in a consumer goods industry. As this is a new position, rewards will be negotiable.

Write, in confidence, to the Personnel Director, Aquascutum Ltd., 100 Regent Street, London W1A 2AQ.

## INTERNAL AUDIT WITH THOMSON

A qualified accountant is required for the internal audit department of Thomson Information Services Limited, a division of the *International Thomson Organisation.* Based in WC2 the job involves frequent visits to the operating companies which are based both in the U.K. and overseas. Good holidays and terms of employment. Salary around £12,500.

Please apply with detailed curriculum vitae to Noel Clery
Thomson Information Services Limited, 63, Lincolns Inn Fields, London WC2A 3JX

# Accountancy Appointments

## Financial Director

*Manufacturing Industry*

*East Midlands to £25,000+car*

Our client is a successful and autonomous operating division of a multi-national chemicals group. The quality of its products has secured a sound customer base in the industrial, construction and retail sectors. Turnover is in the region of £20 million and the division has a consistent record of growth.

Based in Leicester and reporting to the Chairman, the Financial Director will have responsibility for the accounting function and for the further development of management information systems. Involvement in the overall management of the division will add to the challenge and scope of this appointment.

Candidates should be qualified accountants, probably graduates, in their 30's who have experience of computerised systems and of managing an accounting function in an operational environment.

The total remuneration package (inclusive of bonus) is negotiable up to £25,000 plus car and benefits. Relocation assistance will be offered where appropriate.

Please send full personal and career details in confidence to Mark Birchenhough, quoting reference 1352/FT on both envelope and letter.

**Deloitte Haskins+Sells**
Management Consultants
128 Queen Victoria Street, London EC4P 4JX

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## National Financial Controller

**to £25,000 + Car**

## Account for the Accountants

Expansion of our firm's (65 partners) activities has created the need for a Financial Controller, reporting direct to the Managing Partner, to take responsibility for:

– Firmwide (11 offices) financial and management information
– Budget preparation
– Annual accounts
– Cash management

This is a new position which offers good prospects for extension of duties within the job to the right person.

The successful candidate will probably be at least 30 years old and may well be some years older, professionally qualified (though not necessarily a chartered accountant), possibly having Group experience and seeking a post initially without any people management where independence, interpretative skills, tenacity and results-orientation are key to success.

**Please apply in writing with a concise cv to:**
**Miss Penny Alison, Director of Personnel,**
**Robson Rhodes, 186 City Road, London EC1V 2NU**

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Career Opportunity in the field of high technology . . .

## DEVELOPMENT ACCOUNTING EXECUTIVE

London C. £22,500 + Benefits

We have been exclusively retained by a major organisation who manufacture and supply high technology products and services.

They wish to recruit a Senior Systems Accountant, who will join a highly skilled team involved in the development of new computerised accounting systems. This is an excellent opportunity to undertake an important role in the future growth of the organisation.

Candidates for this appointment will be qualified accountants, who can clearly demonstrate a successful career to date in systems development, and have the ability to work effectively within a highly motivated team.

Written applications enclosing curriculum vitae should be forwarded, in confidence, to Richard Norman FCA or Robert N. Collier at our London address quoting reference number 4712.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744
Brook House, 77 Fountain Street
Manchester M2 2EE. Tel: 061-236 1553.

**DOUGLAS LLAMBIAS**
Douglas Llambias Associates Limited
Accountancy & Management
Recruitment Consultants

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## ACCOUNTANT BOOK-KEEPER

with property management experience required by busy expanding Surveyors. Good Salary—01- 486 9441.

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## FINANCE EXECUTIVE

Central London c. £17,000–£22,000

Our client, Grand Metropolitan, is a prestigious international group with a diverse range of interests in the food, drinks, hotel and leisure industries. It has an exciting and enviable history of expansion.

A technically strong accountant is needed to reinforce the small, highly motivated Head Office finance team. The role involves a number of finance functions with a strong emphasis on the development of board level financial reporting together with the enhancement of the necessary reporting systems.

Ideally, candidates will be ambitious graduate Chartered Accountants with a minimum of 3 years post-qualification experience. As the role will involve close liaison with group companies, the successful candidate will have good communication skills and the ability to work effectively with senior management of subsidiaries. He/she will develop a long term career within the group and should have the potential to make a substantial contribution to group business.

Interested applicants should write to Catherine Harrold at our London Office enclosing a Curriculum Vitae and quoting reference no. 4716.

410 Strand, London WC2R 0NS. Tel: 01-836 9501
26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101
3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744
Brook House, 77 Fountain Street
Manchester M2 2EE. Tel: 061-236 1553.

**DOUGLAS LLAMBIAS**
Douglas Llambias Associates Limited
Accountancy & Management
Recruitment Consultants

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## A SENIOR FINANCIAL EXECUTIVE

**c.£40,000 p.a. + benefits**

Our client is a multi-faceted commercial organization, the trading spectrum of which includes passenger car and commercial vehicles sales, transportation and distribution operations, industrial capital equipment sales and financial services.

The operational activities span the UK, Europe and Far East and the company is heavily involved in import/export and foreign exchange dealings.

This position requires a Chartered Accountant aged 38-45 years with a breadth of commercial and industrial experience at a senior level.

He or she will possess considerable practical knowledge of the treasury function in a commercial environment and, in addition, have experience of City institutions.

The successful applicant will, after a period of induction, be considered for an appointment to the main board.

The position is based in a pleasant south of England location and a full relocation package is available where applicable.

A salary in the region of £40,000 p.a. is envisaged (although it must be stressed that there is scope for manoeuvrability for the right person) together with a fringe benefit package commensurate with an internationally based organization.

Applicants, male or female, should apply in writing enclosing a brief but meaningful c.v. to Brian Hodges acting as advisor to the company at:

*Brian Hodges Associates*
MANAGEMENT CONSULTANTS · EXECUTIVE SEARCH · APPRAISAL AND TRAINING CONSULTANTS
**Suite 3, 50-52 High Street, Epsom, Surrey KT19 8AJ, England.**

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## PROSPECTIVE TAX PARTNER

We are a medium-sized firm of Holborn Chartered Accountants and are looking for a young tax manager to deal with personal and corporate work.

Candidates should ideally have trained in a small to medium-sized practice and have at least three years post-qualification tax experience in a medium to large practice.

A generous remuneration package with early partnership prospects is offered and applicants should forward a full C.V. to:

*Box A8701, Financial Times*
*10 Cannon Street, London EC4P 4BY*

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## SENIOR MANAGER

**CORPORATE FINANCE**
**to £30,000**

Our client, an established and successful Merchant Bank and member of the Accepting Houses Committee, seeks a seasoned Corporate Finance specialist to contribute substantially to its continued growth. Candidates, in their late 20s or early 30s, will have spent at least three years in the corporate finance department of a major financial institution and gained experience across the spectrum of corporate finance activity.

## CORPORATE FINANCE EXECUTIVES

***MERCHANT BANKING***
**to £20,000**

On behalf of clients, some of the City's most outstandingly successful specialists in all aspects of domestic and interational Corporate Finance, we are looking for a number of above-averagely talented and ambitious recently-qualified ACAs and Lawyers. Applicants, almost certainly graduates, should have some past qualifying experience in an international form. A mature, creative and analytical approach is essential for these challenging positions.

To arrange an informal and confidential meeting at which these opportunities can be discussed in more deail, please contact Robert Digby B.A.

**Badenoch & Clark**
Recruitment Consultants
16-18 New Bridge Street, London EC4V 6AU
Tel: 01-353 1867

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## Finance Director

**(Designate)**

**North West c£16,000 + car**

Our client is a rapidly expanding, marketing-orientated, autonomous subsidiary of a dynamic UK group.

They seek to appoint a commercially-minded accountant, who will take total responsibility for the company's finance function, with particular emphasis on *cost control*, *budgeting*, *management reporting*, *statutory accounting* and computer systems development.

The successful applicant will be a qualified accountant (aged 28–38) who can demonstrate a solid track record of achievement to date, coupled with the ability to contribute effectively to the general management of a business.

Relocation facilities are available where appropriate and interested applicants should contact **Alan Dickinson,** quoting **ref. 6986** on **061 228 0396** at Michael Page Partnership, Faulkner House, Faulkner Street, Manchester M1 4DY.

**Michael Page Partnership**
International Recruitment Consultants
London New York Bristol
Birmingham Manchester Leeds Glasgow

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## *Finance Director*

*A significant opportunity in a fast-growing manufacturing environment.*

The company we're acting for is extremely successful, with a sales turnover in excess of £40m – and growing! A self-contained subsidiary of a major British group, they have a multi-site consumer durables manufacturing operation. For obvious reasons, we can't be specific about locations or products – suffice it to say that the organisation enjoys an extensive, expanding range of envied brand names.

In brief, this post offers an ambitious, able individual the opportunity to take overall responsibility for the finance function – maintaining tight financial controls and providing prompt, reliable management information. The successful candidate will be a qualified Accountant, at least in his or her late 30's, who has broad-based high quality experience gained in an engineering manufacturing environment, ideally in consumer durables. Knowledge of computer based systems and strong analytical ability are pre-requisites, as are well developed verbal and written presentation skills. The personality and presence to contribute fully as a member of a lively Board is paramount.

It's unlikely that the right person will currently be earning less than £17,000, and the chosen applicant can look forward to a substantial remuneration package which includes a car, performance bonus, BUPA cover and generous assistance with relocation, if necessary. If you are confident that your talents merit the rewards and prospects of this demanding role, please write enclosing a c.v. and, most important, your record of achievement, to: Confidential Reply Service, Ref.ASF050, Austin Knight Advertising Limited, London, W1A 1DS.

Applications are forwarded to the client concerned, therefore, any company in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

***Austin Knight Advertising***

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## Internal Audit

Alexander Howden are a leading International Insurance Group with extensive interest in Broking & Underwriting throughout the world.

As a result of a recent promotion we are seeking to recruit an Internal Auditor for our Group Audit Department.

The function enjoys a high level of independence and reporting within the Group, and the individual we are seeking will ideally be newly qualified, with some experience in the insurance industry.

The position will report to the Internal Audit Co-ordinator. Responsibilities will include participating in planning, regular and special examinations of the financial and management control of all elements of the business.

Applicants will be based in the City but expected to travel on a limited basis, mainly in the U.K.

A competitive salary will be offered commensurate with age and experience, together with an attractive benefits package which includes free life, medical and permanent health schemes.

Please write including full C.V. to:-

**Mrs. C. Murphy, Howden Management & Data Services Limited, Personnel Department, 22 Billiter Street, London EC3M 2SA.**

**Alexander Howden** Group plc

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## TAX FRAUD

*ACCOUNTANTS FOR KEY INVESTIGATIONS to £17,500*

The battle against fraudulent tax evasion and avoidance is being fought primarily by the Revenue's Enquiry Branch. Results are impressive, with over £350 million recovered in the last fiscal year alone.

Accountants in the Branch work alongside HM Inspectors of Taxes in the investigation of cases of serious tax fraud, including the examination of private and business records. They advise on all relevant accounting matters as well as being responsible for their own portfolio of cases. The ability to conduct difficult interviews with top level advisers is important, and candidates must be prepared to give evidence in contentious cases.

These appointments will be made at Principal level with salaries in the range £12,395-£16,655. London posts carry an additional weighting of £1250. Successful candidates will be members of the Government Accountancy Service which provides first-class training and career development opportunities. Prospects are excellent within a structure which can lead to the very highest levels of the Civil Service.

**Locations: London, Edinburgh, Bristol, Birmingham.**

All candidates must be Chartered, Certified, Cost and Management or Public Finance Accountants or be eligible for admission. Post-qualification professional office experience is essential.

Relocation assistance may be available.

For further details and an application form (to be returned by 31 August 1984) write to Civil Service Commission, Alencon Link, Basingstoke, Hants, RG21 1JB, or telephone Basingstoke (0256) 68551 (answering service operates outside office hours).

**Please quote ref: G/686.**

**The Civil Service is an equal opportunity employer**

# Accountancy Appointments

## FINANCIAL DIRECTOR
### Designate
### c £25,000+car

LOTUS DEVELOPMENT CORPORATION started its first European subsidiary in Windsor early this year and is now in the process of establishing subsidiaries in France and Germany. The growth of the company since its inception two years ago in the U.S. has been exceptional and Lotus is now the world's largest supplier of P.C. business software with Lotus 1-2-3 and the recently launched Symphony multidimensional business tool.

As a result of this growth the present U.K. Financial Director has been promoted to European Director of Finance and Lotus Development (UK) Ltd is now looking to recruit his successor.

Reporting to the U.K. Managing Director with functional responsibility to the European Director of Finance you will be a key member of the management team and have the commercial awareness to contribute significantly to the continuing profitable growth of the business. You will manage and extend a full range of computer based accounting and business planning systems reporting to tight deadlines. The responsibilities are wide ranging and will include taxation as well as the statutory accounting requirements. A Chartered Accountant in your early 30's you will need to have knowledge of U.S. accountancy practice and experience of managing a high calibre multidisciplined team. High energy levels and the flexibility of mind to maintain standards in a fast moving environment are essential.

This position offers tremendous opportunities plus an excellent benefits package, including company car, BUPA, Life Insurance etc.

Please send your full career details to David Konrath, the consultant who is advising.

LOTUS DEVELOPMENT (UK) LIMITED,
Consort House, Victoria Street, Windsor, Berks.

**Lotus—**

## INTERNAL TRAINEE AUDITORS
### (Banking)

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هكذا عن الأصل

# THE ARTS

## Sarah et le cri du langouste/Edinburgh Festival

**B. A. Young**

The full title of this enchanting two-hander at the Lyceum is *Sarah et le cri du langouste*, and the call of the crayfish is indeed mentioned in conversation, though without influencing the train of events. The conversation is between Sarah, who is Sarah Bernhardt, 77 years old and not really used to her eight-year-old wooden leg, and her secretary-companion Georges Pitou, 20 years her junior, a man of salient normality.

It is not, though, strictly a duologue, for in the course of it Pitou is asked by his difficult employer to impersonate various people in her earlier life, so that they can re-enact past scenes and get on better with the autobiography which seems to consist of little more than Pitou's box of reference-cards and Sarah's good intentions. Sarah, in whom Delphine Seyrig cannot always conceal her own younger and handsomer person, sets Pitou to be her sister or her mother, even the Mother-Superior of her convent, so that she can talk to him as she talked to them.

It is exquisitely done. Mme Seyrig's playing of the great Sarah accords with all we know shows us childlike behaviour, selfish and forgetful, tearful or angry, dramatic as Phèdre or Camille, even half-mad as she paints a beak on her face and from legend, description and some fragments of film. She goes caw-ing about the stage to see if Pitou and she agree about what is funny. The impersonation is complete, and if Seyrig remains Seyrig, who will complain?

It is reasonable that an actres should be able to represent an actress in her crtical situations. Pitou is another matter. He is extravagantly conventional; even the effort of puting a shawl over his head to impersonae the oMther-Superior reduces him to profound embarrassment. Georges Wilson's achievement is to make Pitou play these vignettes—they extend to the doctor reparing Sarah for her amputation, even to Noel Coward—without ever being anyone but Pitou. His range of gestures, the little inflexions in his voice, establish any everyday bourgeois undertaking tasks that his duty drives him to, but his respectability resists. It is a collectors' performance.

Moreover, it is Georges Wilson who has translated the play from John Murrell's English, and directed it. His designer, Koki Fregni, summons up the villa in the South of France where these things happen with litlte but Sarah's big *art nouveau* armchair (with a little footstool where Pitou reverently places or removes the one remaing foot) and a handful of smaller furniture. The lighting, which follows the sun around Sarah's vague ideas of the time of day, is by Gerard Keryse.

The play's run at the Lyceum is, alas, only four days long.

Delphine Seyrig as Sarah Bernhardt

## London Sinfonietta/Albert Hall

**Andrew Clements**

No one would claim that three-part concerts were one of the most welcome innovations of the Glock years at the BBC, though to encounter such a programme now rekindles many good and challenging memories. Tuesday's triple-decker Prom was a nicely designed showcase for the invaluable enterprise of the London Sinfonietta.

Peter Eötvos, lately elevated to principal guest conductor of the BBC Symphony Orchestra, took charge. As a close associate of Boulez in Paris his account of *Rituel: In Memoriam Maderna* had much of the same remorseless weight as the composer's own verion, now recorded, though the Albert Hall is by no means an ideal place in which to disentangle its proliferating melismata. But the strangely emotive chords that dominate the last third of the work gained extra resonance and perspective.

The Boulez had been preceded by Varèse—the weirdly wonderful *Ecuatorial*, sombrely declaimed by Malcolm King with a pair of ondes martenot whooping around him—and Birtwistle's *Meridian*. Of the three Birtwistle pieces in this year's Proms season *Meridian* was perhaps the most welcome: written in 1970-71, it is one of his most beautiful scores. Sarah Walker was the mezzo soprano, bringing a good deal of passion to the settings of Thomas Wyatt and Christopher Logue that form the work's core. The women's voices of the BBC Singers provided the halo of vocalisations round and about the soloist, while the solo cellist and horn player, twin dramatic protagonists, were Christopher Van Kampen and Philip Eastop.

If the Varése reminded one of the Sinfonietta's recent Ravel/Varése series, and *Meridian* underlined the orchestra's continuing commitment to Birtwistle, then *Les noces*, which ended the concert, harked back to the vast and triumphant Stravinsky Festival that so enlivened three South Bank seasons. It was given not in the familiar version of 1923 with four pianos and percussion, but in an earlier orchestration (1917)

If this scoring lacks some of the directness and pungency of the final product, there are certainly ideas that gain in vividness with a more varied instrumental backdrop: the soprano's opening solo was originally entwined with a high clarinet, the pianos' block chording of the third scene was the replacement for a fierce and thrilling brass toccata. Mr Eötvös gave an account that gradually took fire and gained in bite and physicality; the orchestral playing was imaculate throughout.

## Obituary/J. B. Priestley

**Alan Forrest**

John Boynton Priestley died yesterday within a month of his 90th birthday. He was a Bradfordian, a Swan Arcadian and a professional Yorkshireman.

To explain what it means to be a Swan Arcadian, I have to recall that beautiful Florentine edifice in Bradford's city centre, now long gone, where Priestley and I both started our careers in wool merchants' offices, he just before World War Oen, I in the early days of World War Two.

He turned that experience into the first part of his autobiography, *Margin Released*, and in what is, arguably, his best novel, *Bright Day*. And in spite of all his attempts to play down the Yorkshire image he was there in a crisis—like defending the murder of the landscape of the Dales.

How good a writer was he? He gave us *Angel Pavement*, the best Dickensian novel not written by Dickens; and *Bright Day*, which I can describe only as life-enhancing. His "time plays"—*Time and the Conways*, *Dangerous Corner* and *I Have Been Here Before*—were corn in the Egypt of the London theatre of the 1930s and stand up pretty well today.

He didn't fare well in the opinions of the ruling academics of the 1930s — the Leavises didn't rate him very highly. He didn't create a whole world like Dickens or a new language like Joyce, but then, who else did?

He was a great journalist and almost a great writer. His Postscripts—those BBC talks during World War Two—were almost as good for morale as Churchill's speeches. When Winston was talking about winning the war, Priestley was talking about what we'd do afterwards. I suppose he was a bit like the Army Education Corps — his great battle honour was the winning of the 1945 general election.

Priestley was born in Bradford in 1894. His father was a schoolmaster at the first school to introduce free school meals J. B. grew up in an atmosphere of Fabian socialism and caring for people, which only deserted him in recent years when the tax demands of high-earning authoriship killed his socialism.

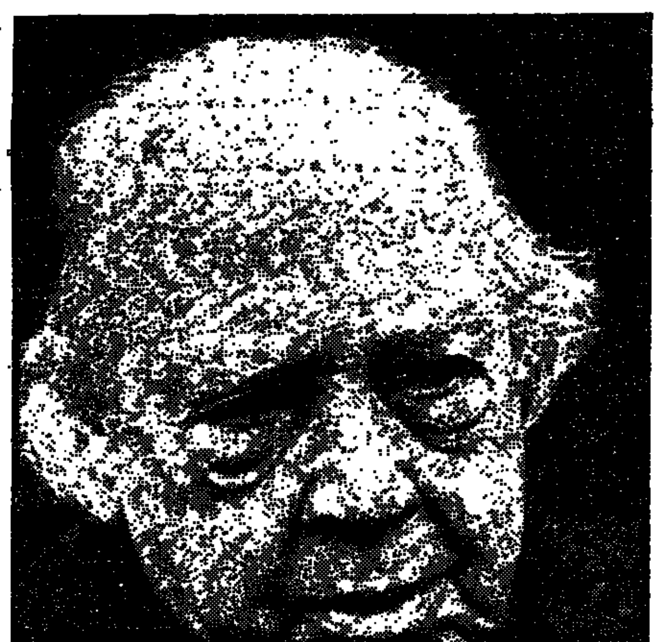
He loved the language. The last tory I heard about him was from a TV script writer who had written a novel and the publishers said it was all right if Priestley, who was on their board and was interested in first novels, liked it.

The fledgeling novelist met Priestley at his chambers in the Albany, wheer J.B., stood in a dressing-gown and carpet slippers under a Renoir. 'It's all right for a first novel,. lad," he said. "Construction, excellent. Characterisation, fine, but your punctuation's terrible."

"Ah well, Mr Priestley," the young man said. "I model myself on American writers like Norman Mailer. They don't worry much about punctuation. I do a first draft and then I do a second one and take all the commas and semi-colons out."

Priestley puffed at his pipe and said. "Aye well, lad, when you get to my age, you'll start putting 'em all back in."

He was awarded the OM in 1977. He is survived by his widow Jacquetta Hawkes, the archaeologist and writer, and by a son and four daughters from previous marriages.



## Intimate Exchanges/Ambassadors

**Martin Hoyle**

*Siegfried* has been called the *scherzo* of the *Ring*. If we had to identify *One Man Protest* as a movement in Alan Ayckbourn's play cycle, freshly arrived in the West End from Greenwich, it would be the *andante*.

Going twice as far as Wagner's tetralogy, Mr Ayckbourn has written eight plays around the havoc-ridden lives of all concerned with Bilbury Lodge prep school. In this play we meet the headmaster, Toby — here glimpsed sober despite his little weakness—and his frustrated wife Celia; good-natured Miles cuckolded (with the squash club) by wild Rowena; and the locals, Sylvie who "does" for Rowena, and the accident-prone caretaker-groundsman, Lionel. These parts, and others to come in the subsequent plays, are taken by two performers.

Ayckbourn *leitmotiven* abound: male obtuseness provoking female desperation; the inadequacy of the genteely conventional to express their feelings; the delusions of the lonely; and the farcical results of the physical world out of control—at one point, with smoke billowing across the stage, it looked as if the cycle had actually started with its *Gotterdammerung*.

The author has stepped back from those darker aspects of human nature that have appeared increasingly in his later works. The alienated housewife, on the verge of collapse in *Just Between Ourselves*, refused to enter her hostile home, preferring to brave the freezing dusk in her wintral yard. Act 1 of *Protest* ends with an equally fraught victim of emotional turmoil locking himself in a garden shed. We expect the mental disintegration, both funny and frightening, touched on in Ayckbourn's blacker comedies. But Act 2 plays safely for laughs. The recluse, still in the shed after five weeks, is devotedly fed with apple crumble and summer pudding. Reconciliation, as well as the smell of farcically burnt trousers, is in the air.

The disastrous set-piece (as inevitable in Ayckbourn as final slaughter is in Jacobean tragedy) is unexpectedly muted, the characters unusually gentle.

Lavinia Bertram's Celia displays the querulous disgruntlement of the class brought up not to charm but to command, now corroded with dissatisfaction at having been baulked of what she considers her due. Brisk and thin-lipped in perpetual disapproval, she arouses pity as well as laughter. Switching wig, costume and accent, her Sylvie is a sly and adenoidal village girl; only the wanton Rowena finds her relatively at a loss.

Robin Herford's fatuously macho gardener and exasperated schoolmaster, even when sober enunciating the over-round vowels of the habitual drunk, are the equal of his goaded cuckold. Mr Ayckbourn directs so as to make you forget that this is a protracted duet; a marvellous technical display, but we wait for something more.

Robin Herford and Lavinia Bertram

## Record review

**Dominic Gill**

# The fruits of patronage

**Kurtag:** Messages of the late Miss R. V. Troussova. **Birtwistle:** ...agm... Ensemble InterContemporain, John Alldis Choir/Pierre Boulez Erato STU 71543
**Dufourt:** Antiphysis. **Harvey:** Mortuos Plango, Vivos Voco. **Grisey:** Modulations. Ensemble InterContemporain/Pierre Boulez. Erato STU 71544

Since its underground warren of offices, studios and concert halls was eventually completed in 1978, the most important (and certainly the most tangible) role of Pierre Boulez's remarkable Institut de Recherche et Musique has been to provide a de Coordination Acoustique-haven for composers of all nationalities. The service offered is uniquely self-contained: under a single roof, the composer is offered the facilities for his work, the commission money to proceed, and the instrumental ensemble or electronic equipment on which it will eventually be performed, as well as the concert platform itself—an all-embracing patronage.

IRCAM has now taken the process an invaluable stage further by launching, in collaboration with Eerato, a new series of records of the Institute's most important commissions. Among the most significant of these during the past six years have been works by the Hungarian Gyorgy Kurtag and by Harrison Birtwhistle. Kurtag's *Messages of the late Miss R. V. Troussova* is a major work of tihs important and still neglected composer. and the London Sinfonietta's several performances of it with the soprano Adrianna Csenegry have already been amply praised on this stage. Birtwhistle's . . . *agm* . . . on the other hand, has had less exposure—and to my knowledge no performance here since its British premieer at the Proms in 1979.

It is one of Birtwistle's most impressive works, about half an hour long, scored for 25 instruments and 16 voices, which takes as its text—like the earlier *Entr'actes and Fragments* of 1965 or the *Cantata* of 1968—a collection of fragments of Sapphic poetry. The title is intentionally ambiguous: . . . agm . . . is a fragment of the word "fragment," both in English and *(agma)* in Greek. It also echoes the name of Agamemnon, often a powerful implicit present in Birtwistle's music, but here a specific link. The composer identifies one of the central images of the Aeschylean drama, that of the hunting-net of death, with the implacable metre of Sappho which, like a net, draws together, and provided a key to the meaning of, the fragments of her poems. Many of the words included in the series of Sapphic fragments chosen by Birtwistle indeed contain of the letters "agm." The fragments are mostly sung in the original Greek;

These several layers of reference are also reflected in the music — which does not so much "set" or illustrate the text as use its symbolic resonance, integrated with the score, as a parallel instrument. The words themselves are fragments of large fragments, tantalising shadows of part of a much larger whole. In his score, Birtwistle sometimes makes musical fragments of a larger gesture: the sheet is torn, as it were, and only a part, the beginning, middle or end, emerges of a phrase or harmony previously heard whole. But more often the scheme is reversed. He begins, as he so often begins in other works, from first principles: an efflorescence of tiny motifs, single notes, basic cells, which grow outwards in all directions, expand, contract, shed subsidiary shoots. We see the fragment first, and then its shape and place. And there is the implacable metre: Sapphic ostinati in one guise or another, sometimes vigorously, sometimes in slow ceremonial procession, underpin every measure of the piece.

The plan of the music is very simple, but its working is remarkably complex—a rich and subtle canvas elaborated from only a handful of prime rhythms, primary colours. The structure is verse-like, episodic (Birtwistle's first published work, *Refrains and Choruses* of 1957, revealed an interest in verse-form that has marked much of his subsequent music). But at every level, rhythmic, harmonic, melodic, textural—there are powerful connecting links. The harmonic scheme especially gives a strong sense of continuity: a mesh of unisons, octaves, fifths and fourths, emphasised by the spacing of the two main instrumental groups a fifth apart, is the basic harmonic ground from which the new patterns, slow petals or sudden whiplash tendrils emerge.

The voices begin alone, unfolding upwards and downwards from the same note, with a slow statement of themes, rhythms and counterpoints in shifting blocks made from little groups of ostinati. As the instruments join them, the tension increases. There is much abrupt comment, explosive punctuation. There are climaxes, sometimes wild, sometimes sombre, of great physical presence: a thrill of brass, mirrored by the percussion, that runs across the width of the ensemble and back, then vanishes into a huge, echoing silence; a sudden descent into the depths, dark stirrings of cello and bass, answered by the growl of a tuba in its lowest register; a babel of voices that throws out first one, then another soprano melisma like fluttering streamers high above the crowd.

It is a rich, dense and powerful work—not an easy piece, and one which has sharp edges, is made of sharp metal. The music cuts with Xenakis-like insistence—no direct parallels are implied, but only a kind of kinship: in the physical presence of the sound, its earth-bound urgency and starkness, and in its preoccupation with growth from seed of efflorescent, arborescent forms.

On the second disc of IRCAM's series it was interesting tohear again Gérard Grisey's *Modulations* for 33 instruments, which had its premiere at the same concert as . . . *agm* . . . in the Théâtre de la Ville in 1979. I though it then a clever but insubstantial piece, mixing (n a peculiarly Parisian fashion) vaporous academicism with quick-sell melodrama. On record now, many of those first impressions are revived: its chief virtue, which perhaps I underestimated at the time, is an unusualyl keen ear for combinations and oppositions of instrumental colour. But it has none of Kurtág's extraordinary lyrical concentration, although it aspires to similar lyrical heights, nor any of Birtwistle'es toughness and concision.

*Antiphysis* by Hughes Dufout (b.1943) is a pleasant 18-minute essay for solo flute and ensemble which exploits some pretty, avant-garde flute effects, intelligently but unmemorably. *Martuous Plango, Viros Voco* is a *concrète* tape-piece by Jonathan Harvey in which the sound of the voice of his choirboy son Dominique and the sound of the tenor bell of Winchester Cathedral are neatly and imaginatively blended. The scheme is above all economical: in nine minutes Harvey covers more ground, more vividly, than he does in some of his more recent pieces lasting as long as an hour. The sound-quality of the two discs is excellent, warm and clear; the recording level is on the low side.

# Classic ideas that qualify for Eureka!

## Financial Times writers select their personal Top Ten

TO QUALIFY as a classic, an invention must satisfy three tests. The first is of paramountcy – the mechanism or artefact must change fundamentally the way the world operates.

Second, the invention must appear at the right time. Its development should coincide with other accidents of history so that the invention's characteristics are exploited to their full potential.

The third test is of diffusion. Lots of people must either use the invention or be affected by its consequences.

The test of diffusion rules out any invention that affects fewer than half the world's population of 4bn.

This explains why relatively new gadgets, such as the computer, robot and laser, fail to qualify. They will probably make the lists of this kind that historians draw up around the year 2050.

The **compass** was not the first classic invention. But its effects were of the most profound – it made possible the epic explorations by European seafarers in the 15th and 16th centuries.

These journeys paved the way for the long period in which Europe dominated the rest of the world.

People in Europe have to thank Alexander Neckham, a foster brother of Richard the Lionheart, for introducing them to the compass around 1100.

The gadget was originally conceived in the East. Chinese chariots around 2600BC were guided with pieces of magnetite suspended by thread.

The **cannon** has a similar ancestry. Chinese warriors invented the mechanism in 1275 – about the same time as they devised the solid-fuel rocket.

Other people improved on the basic idea, most noticeably Col Sam Colt of the U.S. Army, who developed the revolver in 1835.

Most modern weapons systems, from depth charges to President Reagan's Star Wars, are derived from the original Oriental invention.

The **electric motor**, first demonstrated by Thomas Davenport, an American, in the mid-19th century, originally powered factory machinery. It has been the main engine for the industrialisation of the developed world.

No one has bothered, for some years, to count electric motors in the way they sometimes do for computers. But the number must run to hundreds of millions, if not billions.

No list of inventions would be complete without the wheel. Step forward for a bow an anonymous resident of Sumeria who lived around 3000BC. (Or perhaps it was a team effort.)

**CLASSIC INVENTIONS**

- Wheel
- Compass
- Mirror
- Abacus
- Cannon
- Book
- Electric motor
- Excavator
- Fertiliser
- Aspirin

From pottery workshops to nuclear power stations and from ox-driven carts to bullet-trains – few industrial or consumer gadgets would be of much use but for this small item of hardware.

Something similar can be said of the **mirror**. Chroniclers record that the first mirrors, made from polished opsidian (a volcanic rock), appeared around 2500BC in Northern Italy and the Middle East.

Without the gadgets, the clothing and skin-care industries would have been stillborn. And who can imagine driving without a rear-view mirror?

Baron Justus von Liebig, an obscure German chemist who died 111 years ago, devised the coating process required for modern mirrors. And – uniquely, as far as this list is concerned – he was also responsible for another classic, **artificial fertiliser**.

Von Liebig's fundamental work on soil chemistry led to the first application in farms of materials such as potassium nitrate and phosphates. A group of British researchers are thought first to have used artificial fertilisers, spreading them on a turnip patch in Rothamstead, Hertfordshire, in the mid-1800s.

Felix Hoffman, another German chemist, devised the **aspirin** in 1897. It was later sold by Bayer, marking the dawn of the pharmaceutical industry.

The **printed book**, made possible by Johann Gutenberg's printing press of 1448, influenced the worlds of learning and entertainment for centuries.

So did the **abacus**, developed in several countries at once around 1000BC. The abacus provided the basic ideas for the digital computer.

The final invention is the most earth-shattering of them all. The **mechanical excavator** has a cosmopolitan background. The British Marquis of Worcester first expressed the need for it in 1726. About 100 years later, François Camus of France actually built one, powered by a steam engine.

In the early 20th century Benjamin Holt, an American, fitted tracks to the machine (by then driven by a petrol engine), giving us the bulldozer.

The device then really came into its own, changing the landscape in virtually every part of the world in which mankind has established the smallest toehold.

**Peter Marsh**

**Tomorrow: The 10 worst newspaper headlines**

# Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

## Exhibitions

Aug 10–16

**WEST GERMANY**

**Munich**, Lenbachhaus, 33 Luisenstrasse: The first big retrospective with works by Uwe Lausen, the German artist (1941 to 1970). It has 160 pictures, graphics and drawings. Ends Aug 19.

**Nuremberg**, Germanisches Nationalmuseum, 1 Kornmarkt: Carl Buchheister (1890 to 1964), one of the pioneers of the so-called informal school of painting, has an exhibition here with 78 oil paintings, watercolours, material pictures and collages. The show is rounded off by 20 works of contemporary artists. Ends Sept 2.

**ITALY**

**Venice**: Palazzo Ducale: The Treasures of the Pharaohs – a rich and fascinating exhibition of more than 60 works (lent by the Cairo Museum) – covering over 3000 years, and containing an enormous variety of objects from mundane things such as combs and cooking pots to the contents of Tutankhamun's tomb. Until End of December.

**PARIS**

**De Kooning** – to celebrate the 80th birthday of the pioneer of abstract expressionism. Beaubourg presents a retrospective of 80 paintings, 100 drawings and seven sculptures, showing the astonishing facility with which the Rotterdam-born artist changed styles during his long America-based career from lovely portraits, to nudes, and to abstracts. Centre George Pompidou, closed Tue. Ends Sept 24 (277 1233).

**NEW YORK**

**Museum of Modern Art**: After being virtually closed for three years of renovation, the museum has a chance to show the depth and breadth of its considerable collection. No longer is it a boutique of the modern classics but more like a department store, with double its previous exhibition space and room for such examples of modern design as a whole helicopter.

**INNSBRUCK**

**"The Tyrolean Nation 1790-1820"**: Prints and paintings illustrate the Tyrolean peoples' fight against Napoleon and their fruitless struggle for nationhood under their charismatic leader Andreas Hofer. At the Tyrol Provincial Museum, Innsbruck, until 14 October.

**NETHERLANDS**

**The Kroller-Muller Museum**, set in woodland at Otterlo, between Utrecht and Arnhem, offers a special opportunity this summer to see the museum's complete collection of 274 Vincent van Gogh works together for the first time. The museum also has fine paintings and sculpture by some of the most famous artists of the century, including Picasso and Braque.

**TOKYO**

**New Stone Age Earthenware** from Shiono collection: 300 items of pottery from the Jomon period (about 4000–250 BC). The important collection is mainly from excavations in Tama, Tokyo Suburbs. Tokyo National Museum. Ends Sept 16.

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Telephone: 01-248 8000

Thursday August 16 1984

# Warning light on wages

ONLY A confirmed pessimist could fail to find some solace in the first rise in UK manufacturing employment for seven years. The rise may have been modest—the extra 3,000 jobs created in the second quarter is a tiny fraction of total manufacturing employment of 5½m—but it was a welcome change of direction. Even so it would be foolish to start celebrating. Nearly 3½ years into an economic upturn, a much more substantial rise in employment ought by now to have materialised.

One reason why it has not is the fact that the fortunate majority of Britons in employment persist in voting themselves unearned pay increases. A second batch of statistics released yesterday more than cancels out the mildly encouraging news about manufacturing employment. As the economic recovery has matured, the initial burst of productivity growth has subsided but tehre has been a signal failure of pay awards to subside accordingly. In June, the annual growth of average earnings was 7½ per cent—slightly higher than in the same month of 1983. In manufacturing, average earnings are rising faster—by 9¼ per cent.

### *Competition*

Even if the pay of those in work was rising this fast throughout the industrial world, it is arguable that the outlook for Briain's unemployed would still b bleak as the substitution of machine for man continued apace. In fact, the news is *doubly discouraging* because pay is not rising as rapidly in Britain's main competitor countries. Hourly earnings in manufacturing are rising at an *annual rate of* only 3.1 per cent in West Germany, 4 per cent in the U.S. and 5.6 per cent in Japan.

When these countries' better productivity performance is taken into account, the picture becomes bleaker still. In the first quarter, British unit labour costs in manufacturing were rising at an annual rate of 4¼ per cent. In West Germany the annual rise was zero while in the U.S. and Japan unit labour cost are actually declining at an nnual ate of 3 per cent and 5 per cent respectively. A gap in competitiveness is opening up which the Confederation of British Industry is right to lament. If it continues to widen, there is little chance of the trickle of new manufacturing jobs turning into a flood.

In this context it is alarming to consider the possibility that the UK has seen the best of the recent cyclical upturn. There has been no rise in the Central Statistical Office's leading indicators since last autumn. After adjusting for the miners' strike, there ise vidence of a mild decline in industrial output since the third quarter of 1983. The hope among forecasters is that exports and industrial investment will now maintain the momentum of recovery but these engines of growth have proved fallible in the past. In any case, excessive pay settlements will throw doubt on companies' ability to continue to finance new investment or to win new export markets.

### *Dilemma*

The combination of flagging economic recovery and an uncompetitive rise in British unit labour costs poses a painful dilemma for the Government. It may appear to strengthen the case for a reduc*tion in* real *interest rates which* are higher in the UK than in West Germany or Japan. The Bank of England has already admitted that domestic *monetary conditions present no* obstacle. Cheaper money would also tend to lower the exchange rate further still and offer companies compensation for their *rising relative unit labour costs.*

Such an easy theoretical solution is not likely to appeal to the Government — and with some reason. Part of the point of five years of comparative austerityl has been to change attitudes in board rooms and on the shop flor. It is dispiriting that the change so far has been so slight. Why have British companies been prepared to concede relatively bigger pay awards than their competitors abroad when their profits are not higher and when the British labour market is slacker than most? It seems that managers and workers have still to be convinced that the Government's efforts to overcome inflation will succeed, and that boardrooms are going to have to show more resolve.

# Towards taxless bond markets

DISARMAMENT is sweeping the world: unfortunately it does not involve nuclear weapons but the *taxation of* interest payments to foreign holders of domestic bonds. America has led the way in ordaining that this 'withholding tax" should be done *away with and that interest* should be paid in full to foreign bondholders. Other countires are now making haste to follow, in order to preserve the relative *appeal to the investor of bonds* denominated in their respective currencies. West eGrmany has almost made up its mind to remove the tax on German bonds sold abroad. *The UK Treasury* has dusted off its right to issue gilts with interest paid to non-resident investors gross of tax. Japan is taking a fresh look at the tax it withholds at source on interest payments on Euro-yen bonds.

### *Barriers eroded*

In the past the treatment by Governments of interest paid to foreign bondholders has been affected by two rival considerations—their habitual approach to securing tax revenue and their desire to influence the standing abroad of their bond issues. Thus West Germany, which habitually paid bond interest gross, dcided in the mid-seventies to deter D-Mark investors by imposing withholding tax. The UK, which tends to pay interest net, waived withholding tax on certain gilts issues to foreigners in the late seventies for exactly the opposite reason. The U.S. has tended to be less affected by currency considerations and has imposed withholding tax for a long time in the pursuit of tax revenue.

There is at the moment a strange convergence of interest in the matter. The U.S., despite an extremely strong dollar, is anxious to fund the U.S. budget deficit at the lowest possible rate of long-term interest. Its bankers are also eager to recapture part of the offshore dollar bond market—the business of issuing Eurodollar bonds. Both considerations argued for the removal of witholding tax. Meanwhile, the Governments of most other industrialised countries are worried by the weakness of their currencies *vis-a-vis* the dollar and are therefore inclined to match any U.S. concession.

This is a happy convergence of aims. *It is both inevitable* and beneficial that barriers between discrete domestic capital markets will be eroded to form a world-wide multi-currency pool of savings, available to any *issuer of securities. It follows* that the tax rules for interest flows are best harmonised and should not be manipulated to provide temporary help or hin*drance to this or that currency.* It is, in theory, unimportant whether the tax rules are harmonised with withholding tax at a certain level for all coun*tries or with no witholding tax* at all. In practice a zero level of taxation seems the easiest standard to agree upon. It also reduces the flow of claims *between* countreis under double taxation agreements.

But it will not be fair if this playing fieldw is seen to apply only to governments. The new U.S. witholding tax regulations, which will be published today, will be essentially even-handed between the public and private sector in their borrowing abroad. The UK, in contrast, gives the Treasury a privileged ability to issue ta-free bonds to foreigners: the concession should be extended to normal debenture issues by corporate borrowers as well.

### *Secret identity*

Then there is the thorny question of bearer bonds. Originally, the new U.S. regulations would have allowed all U.S. issuers to issue bearer bonds to investors abroad. The advantage of bearer bonds to the investor is that the identity of the bond-holder can remain secret. The U.S. Congress has shown itself to be very hostile to the idea of bearer bonds—because of fears about tax evasion—and it seems probable that the U.S. Government will today renounce the right to issue such securities, while allowing corporate issuers, which can always resort to the Eurobond market, some leeway to issue bearer bonds directly to foreigners.

The demand for bearer bonds is a fact of investment banking life and will be satisfied one way or another. We do not think that governments should encourage them to become the international norm by issuing large amounts of bearer debt. *It is easier to police the probity* of a market in registered bonds. The concept of the frontierless capital market already poses sufficient challenge to tradi*tional ideas of sovereignty with*out greatly increasing the scope for tax evasion as well.

Economic Viewpoint

# There is no miracle in the Reagan recovery

By Samuel Brittan

WHY does the argument about the Reagan boom in the U.S. and the *danger that it may lead to over*heating and inflation give me the impression that "I have been here before?"

The reason is that when I *spent an extended stay in the* U.S. in the spring of 1978, I heard precisely the same arguments about the Carter boom then in progress.

*One superficial difference* between the two periods is that the actors have changed roles. I still remember the late Arthur Okun of the Brookings Institution wrinkling his eyebrows with distaste at the mention of possible overheating. Now many Brookings economists are in the forefront of those who warn about inflationary dangers, while many "monetarist" economists come out with one calculation after another to play down the Budget deficit.

Jimmy Carter was, of course, unlucky that the expansion was already a year old when he inherited it from Gerald Ford, and had expired in recession by 1980 when he was running for re-election. By contrast, the Reagan expansion only started halfway through his term which gives him a pretty fair wind for re-election if he can avoid having his voice-over takes recorded for posterity.

Many people would regard the size of the Budget deficit as the biggest difference between the two expansions. The crude estimates for 1983 and 1984 are in round numbers $200bn and $170bn respectively. This compares with $70bn and $50bn in 1976 and 1977, which were the corresponding years of the previous cycle.

But to make any sense of the numbers they must be expressed as a proportion of GNP and preferably cyclically adjusted. The official U.S. cyclical adjustments are based on a 5 per cent unemployment rate; but this is not vital as it is the trend and the comparisons which matter. *Moreover, the cyclical adjust*ment is not as controversial as it is in Europe, where underlying unemploymet has been on such a strong upward trend.

*The adjusted deficit is put at* 1.8 per cent of GNP in 1983 and 2.4 per cent in 1984. This is clearly higher than the 1 per cent experienced in 1976-77, but not overwhelmingly so.

The big difference between 1976-1977 and today is not so much in the actual numbers but in the likely trends. We know with hindsight that the Carter deficits were on a downward trend, almost vanishing on an adjusted basis by 1979. By contrast, the underlying deficit has risen between 1983 and 1984 and is officially expected to rise a good deal more in future years without major policy changes.

The popular view is that *fiscal laxity is being balanced* by monetary stringency. If it is, the monetary aggregates do not show it. The narrow money indicator, M1, which is watched by financial markets has actually been rising more quickly in 1983-84 than in 1976-77. If to take account of "long and varible lags" we go back to *the three years preceeding* each expansion, then again the current boom was preceded by more rapid monetary growth than the one starting in 1976.

Inspection of the broader aggregate, M2, gives a more mixed picture, and it is, of course, not news that financial innovation has affected the meaning of the aggregates and that velocity has shifted about quite a bit. The best way to make sense of the conflicting monetary and fiscal indicators is to look at the final outcome of policy plus spontaneous developments. This is shown by nominal GDP, which is of course the product of money times its velocity.

Here I came across the biggest surprise of the whole investigation. For there is virtually no difference so far in the two cycles. Nominal GDP looks like rising by 11½ per cent in 1984, almost the same as in the corresponding year, 1977.

Within nominal GNP the mix between real growth and inflation does look much better than last time round. Of the 11½ per cent rise in nominal GDP likely this year over 7 per cent is real and only 4 per cent inflation. In 1977, real growth was 5¼ per cent and inflation nearly 6 per cent.

The Carter upturn was, of course, marred and ultimately brought to an end by rising inflation rates, which were even *more spectacular* (and went well into double digits) when measured by the popular, although highly distorted Consumer Price Index than by the more *sober GDP deflator.*

By contrast, inflation has confounded the pessimists in the Reagan boom by refusing to take off.

Why should inflation have be*haved so much better this time* round? Judged by both output and unemployment, the recession which preceded the present upturn—the double bottomed one *of 1980-82*—was more severe than its predecessor of 1974-75, and a greater shakeout took place both in inflation and inflationary expectations. Nevertheless, unemployment, at around 7 per cent, is about as low as it was in the corresponding period of the last cycle. This is only ½ per cent above the New York Fed's estimate of the NAIRU, that is the minimum rate consistent with non - accelerating inflation. NAIRU estimates are highly uncertain and wage increases are normally also supposed to reflect the speed of fall in unemployment, which has been very *rapid*, as well as the level. So a purely labour market explanation of continuing low inflation is dubious.

The two big differences from the Carter cycle are not ones *which show up in conventional* figures of domestic policy stance such as those in the table. They are rather the much higher levels of both real interest rates and the *dollar.*

The chart shows that throughout nearly all the Carter period —until the second oil price explosion and Volcker clampdown at the end—real short-term rates were no more than 1 or 2 per cent. After allowing for tax deductibility, they were substantially negative for nearly all business and many personal borrowers. By contrast real, pre-tax interest rates in the present recovery have risen to 8 or 9 per cent.

There is another *difference.* Whereas U.S. real rates were below Germany's for most of the Carter period, they are now 3 or 4 per cent higher.

In view of the probability, elaborated in Monday's Lombard column, that real interest rates are determined by world capital markets rather than central banks, we should be careful about attributing the main responsibility to the Fed.

The main reason why U.S. real rates are higher than in key financial centres abroad relates more to fiscal than monetary policy. The effect of large Treasury borrowing is not only to raise interest rates in the U.S., but to attract funds from overseas. Overseas holders require some interest differential, if only because of the exchange risk. Nevertheless, if it were not for the possibility of foreign borrowing, U.S. interest rates would be far higher than they are.

The main effect of high real interest rates on inflation comes via the exchange rate. This is *illustrated most dramatically in* the dollar-DM chart. The dollar's real exchange rate against the mark fell by 20 percentage points over 1976-78. By 1984 it had gained about 60 percentage points, making a net rise of 40 per cent.

The move from a weak to a strong dollar has had a big dampening effect on the *U.S.* price level — not only via import prices, but by exerting downward pressures on domestic products competing with imports and on cost levels in the export sector. (This normal effect of a strong dollar has combined with the relative weakness of the European and Japanese recoveries to depress dollar commodity prices.) The U.S. price level is artificially lower and the European level artificially higher because of the strong dollar.

We thus arrive at the paradoxical conclusion that U.S. Budget deficit, by driving up *the dollar has reduced the U.S.* inflation rate over the past few years — just as the weak dollar raised it earlier — and accounts for the greater part of the difference between the Carter and Reagan experiences.

But before Mr Roy Hattersley again quotes me out of context on the wonders of deficit finance, there are some less comforting thoughts to convey.

To begin with, one country's gains is another's loss in the game of competitive borrowing. If European countries tried to compete with the U.S. to attract funds to finance Budget deficits, there are no *prizes for guessing who would* win.

But even in the U.S. alone, the counterinflationary gain is transitory and vulnerable. A *rising* dollar tends to reduce the U.S. inflation rate. If the dollar stays high, but rises no further, the inflation rate bonus will gradually disappear.

The gain will go into reverse when the real dollar exchange rate depreciates, which in some way and in some form is inevitable. Nothing that has happened in the past few years has either eliminated the importance of the current balance of payments, nor eliminated the effect on that balance of an overvalued exchange rate.

Let us suppose that U.S. real growth falls back to 3 per cent per annum from 1985 onwards while growth elsewhere is sustained at 3½ per cent. Stephen Marris has estimated that in these almost ideal conditions for a soft landing the current account deficit would rise from its present $80bn to reach $400bn per annum or 4 per cent of GNP by 1989 if the dollar stayed at its present real rate.

At the end of 1982 total U.S. international assets were just over $800bn and liabilities nearly $700bn. By now the U.S. could already be a net debtor. By 1989 on Marris's estimates, foreign claims on the U.S. would have risen by a further $800bn or to more than twice their present level.

At some stage, overseas holders of funds will begin to worry about the U.S. as they previously did about Mexico and Brazil. The likely result is not a Latin American-type debt crisis, but a falling dollar and the ned for an ever bigger interest rate premium to induce creditors to hold the U.S. national debt. Once U.S. interest rates really begin to bite domestically, the President and Congress will act on the deficit.

Marris's view is that overseas willingness to pile up dollar claims at the required rate will come to an end "by or before" the end of next year. But he concedes it could take longer. Either way the only question is whether the dollar depricates gradually or whether it suddenly plunges. In one case the counter-inflationary bonus (and the bonus to living standards) from a strong dollar will gradually go into reverse. In the other case, there will be a sudden intensification in the U.S. inflation rate.

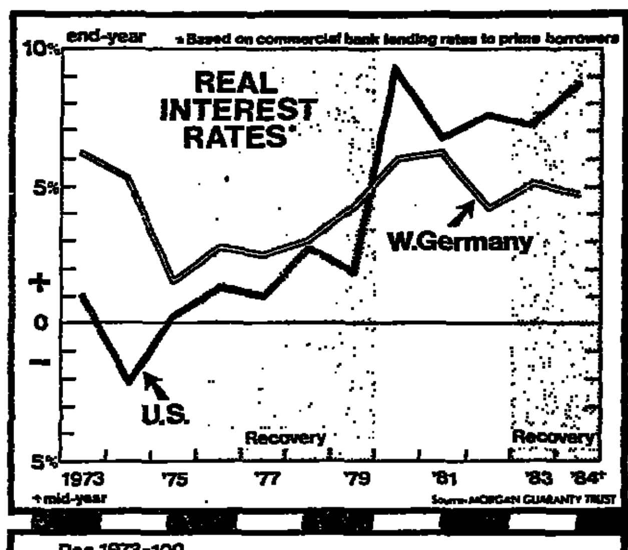
This does not mean the U.S. need wallow in pessimism. The resilience of its market system will see it through. The true moral is that the Reagan Administration has not abolished, but merely postponed the normal hard trade-offs inherent in macroeconomic policy; and postponement is not always an advantage.

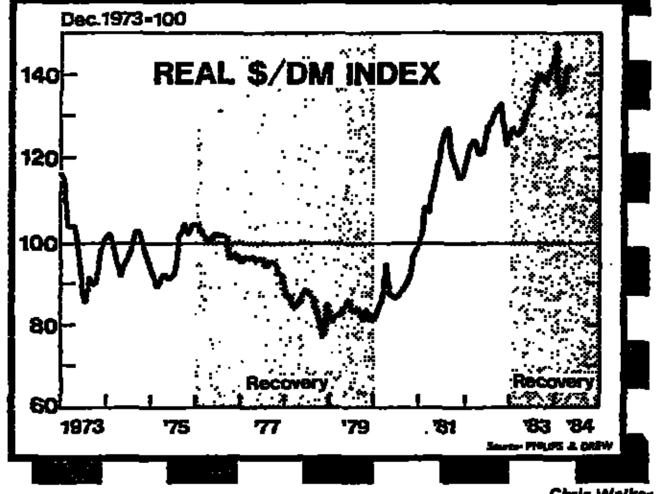
| | Nominal GNP | Real GNP | Price deflator | M1† | M2† | Adjusted deficit % of GNP |
|---|---|---|---|---|---|---|
| | % Changes per annum | | | | | |
| 1973 | 11.8 | 5.8 | 5.8 | 5.5 | 6.9 | −0.7 |
| 1974 | 8.1 | −0.6 | 8.8 | 4.4 | 5.5 | 0.0 |
| 1975 | 8.0 | −1.2 | 9.3 | 4.9 | 12.6 | −1.7 |
| 1976 | 10.9 | 5.4 | 5.2 | 6.6 | 13.7 | −0.9 |
| 1977 | 11.7 | 5.5 | 5.8 | 8.1 | 10.6 | −1.0 |
| 1978 | 12.8 | 5.0 | 7.4 | 8.3 | 8.0 | −0.7 |
| 1979 | 11.7 | 2.8 | 8.6 | 7.2 | 7.9 | −0.1 |

| | Nominal GNP | Real GNP | Price deflator | M1† | M2† | Adjusted deficit % of GNP |
|---|---|---|---|---|---|---|
| | % Changes per annum | | | | | |
| 1980 | 8.8 | −0.3 | 9.2 | 6.6 | 8.9 | −0.6 |
| 1981 | 12.8 | 2.6 | 9.4 | 6.5 | 10.0 | −0.1 |
| 1982 | 4.0 | −1.9 | 6.0 | 8.7 | 9.4 | −1.0 |
| 1983 | 7.7 | 3.4 | 4.2 | 9.3 | 11.7 | −1.8 |
| 1984* | 11½ | 7 | 4 | 7 | 7 | −2.4 |
| 1985* | — | — | — | — | — | −2.6 |
| 1986 | — | — | — | — | — | — |

* Forecast † Dec. on Dec.

Source: Council of Economic Advisers, except for 1984-85





Chris Walker

## Following in father's footsteps

All change and no change at Well Street's venerable investment banking partnership, Goldman Sachs.

John ihWteheaod's decision to step aside as co-chairman of the firm means that John Weinberg, who at 59 is three years younger *than his friend and colleague,* will be following in his father's footsteps as sole chairman of Wall Street's largest private securities firm.

*Weinberg, a Princeton and* Harvard graduate who joined Goldman Sachs in 1950, is the younger son of the celebrated Sidney Weinberg who led the firm for almost four decades until ihs death in 1969 and is widely credited with building Goldman into the powerful force it is today.

Under Sidney Weinberg, Goldman Sachs — founded in 1869 in a one room basement office in the Wall Street area by Marcus Goldman—dramatically expanded its list of blue chip clients. Today these clients include such names as F. W. Woolworth, Continental Group, Ford and Sears Roebuck which Goldman Sachs took public in 1906.

Weinberg and Whitehead (the "two Johns") who sat opposite each other at facing desks in the '50s and have remained friends ever since, have run Goldman together in what is generally considered to be one of the most successfull Wall Street power-sharing systems *isnce 1976 when they took over* from another Goldman luminary, Gustave Levy.

Under their leadership, Goldman has maintained its much envied status as one of the top Wall Street firms and continued to expand its business both at home and overseas.

Some of the credit for this ex*pansion goes to another Wein*berg, John's elder brother Sidney (Jimmy) Weinberg who, now aged 61, is in charge of the firm's investment banking *services department—the* "marketing arm" which has added a further 500 new corporate and government clients to the list since 1979.

"I know grouse are scarce this year George, but must you hang them here?"

# Men and Matters

## Watch-dog

It has taken an embarrassing six months to find a new chairman for the National Consumer Council — and after the mild gentility of the late Michael Shanks, the NCC may find the change a bit of a shock.

Michael Montague, chairman of Valor and the English Tourist Board, may be a courteous socialiser, but he has the abrasive corporate style of the "knock some sense into them' 'school.

At 52, the neatly-moustached bachelor is a *tricky subject, too,* for any consumerist's speculative analysis. As an ambitious and able company executive, he comes from the very manufac*turing and sales background* that many consumer watchdogs see as the enemy.

But during his speel at the ETB, Montague has shown a *willingness, even enthusiasm,* to attack commerce on the part of its customers. His assaults on hotel over-charging and seaside entertainment rip-iffs have not gone down well with those who look to tourist boards only for platitudes and bonhomie.

Montague will be able to take his shopping hours and licensing law campaigns across to Queen Anne's Gate with him. Perhaps the consumer Press should sharpen its pencils.

## In store

Sears Roebuck, the Chicago-based retail giant with $36bn a year in sales, has a new heir-apparent to the number one job of chairman and chief executive.

By naming Edward Brennan, aged 50, as president and chief operating officer, the world's largest retailing group appears to have resolved the leadership question ahead of the expected retirement next year of its current chairman, Edward Telling. He has been at the helm since 1978 at a time when the group has been actively pushing into the financial services industry.

Brennan, a Telling protege with a reputation as a tough executive, is known for his attention to detail. He is a *Sears man with 27 years of* service. Until his latest promotion he was chairman and chief executive of Sears' highly profitable merchandise group.

His new appointment, against strong competition from several other contenders, is seen as a sign that Sears will continue its current aggressive strategy both in the merchandising and financial services fields.

Under Telling, who has held the additional post of president *since the retirement of Archie* Bow in March, Sears has become a major force in the highly competitive U.S. financial services industry through the acquisition of Dean Witter, the Wall Street securities firm and Coldwell Banker, a U.S. property group.

But Telling and Sears have never lost sight of the importance of the company's formidable retail store and mail order business. Brennan himself has overseen the recent streamlining of the merchandies group which last year contributed 69 per cent of Sears sales and 53 per cent of its $1.3bn in earnings.

Now the responsibility of *maintaining the momentum* of the retail side of Sears business will fall to William Bass, another Sears veteran.

## Bush-fire

Vice-President George Bush has been having a rough time recently. In th slack August news period, the American Press has been making a major political issue out of whether he will have the nerve to agree to a televised debate with his spirited Democratic rival, Geraldine Ferraro.

*Now the Washington Post has* published a spoof letter, supposedly from Bush but signed "Tortured," imploring a well-known agony columnist for *advice on how to* cope with "this woman"—described as "nice-looking enough, sort of blonde."

"I don't mind debating. It's not my very best thing. I'm *better at tennis,"* the letter runs. "The boss says he heard that the woman plays tennis. He said maybe I could challenge her to a tennis match instead of a debate. But neither of us could figure out whether it would be better for me to win or lose."

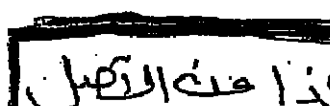
According to the letter, "the boss" had other suggestions for polishing the Bush image—"he thought maybe I should get a new haircut and contact lenses and maybe wear brighter ties."

***Observer***

## BASE LENDING RATES

| | | | |
|---|---|---|---|
| A.B.N. Bank | 11 % | ■ Hill Samuel | §11 % |
| Allied Irish Bank | 11 % | C. Hoare & Co. | †11 % |
| Amro Bank | 11 % | Hongkong & Shanghai | 11 % |
| Henry Ansbacher | 11 % | Kingsnorth Trust Ltd. | 10 % |
| Armco Trust Limited | 12½% | Knowsley & Co. Ltd. | 11½% |
| Associates Cap. Corp. | 12 % | Lloyds Bank | 11 % |
| Banco de Bilbao | 11 % | Mallinhall Limited | 11 % |
| Bank Hapoalim | 11 % | Edward Manson & Co. | 13 % |
| BCCI | 11 % | Meghraj and Sons Ltd. | 11 % |
| Bank of Ireland | 11 % | Midland Bank | 11 % |
| Bank of Cyprus | 11 % | ■ Morgan Grenfell | 11 % |
| Bank of India | 11 % | National Bk. of Kuwait | 11 % |
| Bank of Scotland | 11 % | National Girobank | 11 % |
| Banque Belge Ltd. | 11 % | National Westminster | 11 % |
| Barclays Bank | 11 % | Norwich Gen. Tst. | 11 % |
| Beneficial Trust Ltd. | 12 % | People's Tst. & Sv. Ltd. | 12 % |
| Brit. Bank of Mid. East | 11 % | R. Raphael & Sons | 11 % |
| ■ Brown Shipley | 11 % | P. S. Refson & Co. | 11 % |
| CL Bank Nederland | 11 % | Roxburghe Guarantee | 11½% |
| Canada Permn't Trust | 11 % | Royal Trust Co. Canada | 11 % |
| Cayzer Ltd. | 11 % | ■ J Henry Schroder Wagg | 11 % |
| Cedar Holdings | 12 % | Standard Chartered | ‖11 % |
| ■ Charterhouse Japhet | 11 % | Trade Dev. Bank | 11 % |
| Choulartons | 12½% | TCB | 11 % |
| Citibank NA | 11 % | Trustee Savings Bank | 11 % |
| Citibank Savings | ¶12 % | United Bank of Kuwait | 11 % |
| Clydesdale Bank | 11 % | United Mizrahi Bank | 11 % |
| C. E. Coates & Co. Ltd. | 11½% | Volkskas Limited | 11 % |
| Comm. Bk. N. East | 11 % | Westpac Banking Corp. | 11 % |
| Consolidated Credits | 12 % | Whiteaway Laidlaw | 11½% |
| Co-operative Bank | *11 % | Williams & Glyn's | 11 % |
| The Cyprus Popular Bk. | 11 % | Wintrust Secs. Ltd. | 11 % |
| Dunbar & Co. Ltd. | 11 % | Yorkshire Bank | 11 % |
| Duncan Lawrie | 11 % | | |
| E. T. Trust | 11½% | | |
| Exeter Trust Ltd. | 11½% | | |
| First Nat. Fin. Corp. | 14½% | | |
| First Nat. Secs. Ltd. | 13 % | | |
| ■ Robert Fleming & Co. | 11 % | | |
| Robert Fraser | 11 % | | |
| Grindlays Bank | ‡11 % | | |
| ■ Guinness Mahon | 11 % | | |
| ■ Hambros Bank | 11 % | | |
| Heritable & Gen. Trust | 11 % | | |

■ Member of the Accepting Houses Committee.
* 7-day deposits 8%. 1-month 8.75%. Fixed rate 12 months £2,500 9.75% £10,000. 12 months 10%.
† 7 day deposits on sums of under £10,000 8%. £10,000 up to £50,000 8¼%. £50,000 and over 9%.
‡ Call deposits £1,000 and over 8%.
‖ 21-day deposits over £1,000 9%.
§ Demand deposits 8%.
¶ Mortgage base rate.



The FT's **Sue Cameron,** who has just spent 18 months working inside the Civil Service, explains . . .

# The way to win in Whitehall

WHITEHALL IS an alien land. They do things differently there. Yet they are the ones who award the contracts, decide on the grants, recommend the tax changes and frame the new laws that can have a profound effect on your livelihood—whether you are a company director or a trade unionist. Some of you will be past masters at the art of nobbling Ministers and mandarins. But for those of you who have found the corridors of power inhospitable or inaccessible, here are a few suggestions gleaned from the usually reliable sources:

DO read the Yes Minister paperbacks based on the TV series. Enjoy them by all means—but understand that they are founded firmly on fact.

DO familiarise yourself with Whitehall's hierarchy. Starting from the top the order of precedence is as follows: Permanent Secretary; Deputy Secretary; Under-Secretary; Assistant Secretary; Principal; Senior/Higher Executive Officer (invariably abbreviated to SEO and HEO); Executive Officer (EO); Clerical Officer (CO)—and other support staff.

DO have a stab at learning their language. As with any foreign tongue—and particularly with a forked one—it is difficult to become fluent unless you are a native. But a smattering of Whitehallspeak is essential for successful lobbying. As one senior Whitehall source points out: "Civil servants always mean what they say—but outsiders don't always understand what they mean when they say it."

DO make an effort to sort the official sheep from the Departmental goats. British Petroleum gives its bright young graduates the job of finding out who's worth knowing in Whitehall. Age of promotion is a good guide as to who is on the up and up. The younger they are when they gain promotion—under 35 for the rise from Principal to Assistant Secretary and well under 45 from AS to Under Secretary — the more likely they are to be worth cultivating. The Civil Service is usually good at spotting able people and pushing them up the ladder quickly. As with other organisations, occasionally the deadwood is allowed to float to the top.

DO maintain contact with bright officials even after they are moved to jobs outside your immediate area of interest. Imperial Chemical Industries first met Peter Carey when he was an Assistant Secretary looking after the chemical industry. ICI was careful to keep in touch — and he later became Permanent Secretary at the Department of Trade and Industry.

"I've seen the Permanent Secretary, the Deputy Secretary, the Under Secretary, the SEO and the HEO and they told me to ask you if I could see the Minister"

DO take note of the ministerial hierarchy within a department: Secretary of State—who will be a member of the Cabinet; Minister of State; and Parliamentary Under-Secretary of State—known in the trade as a PUSS. The influence wielded by a junior Minister depends very largely on his relationship with his Secretary of State. Some Secretaries of State allow their juniors very little leeway, because they do not like them or trust them, or because they want to grab any credit that may be going for themselves.

DO make use of Ministers' private offices. These are staffed by a private secretary—usually an HEO or a Principal—plus an assistant private secretary, a diary secretary and typists. The private secretary has considerable influence when it comes to drawing matters to a Minister's attention, arranging meetings or galvanising other officials into action. They can—and will—speed up the system for you. Private secretaries also sit in on their Minister's meetings to take notes. They are therefore the best possible sources of information about what is going on in a Department.

DON'T think twice about writing direct to a Minister—even on a comparatively routine or minor matter. The Minister probably won't see the letter himself, but the private secretary will. He or she will pop your missive into a folder marked Secretary of State's/Minister of State's/PUSS's Case and farm it out to the relevant civil servant. The latter will then produce a draft reply for the Minister to sign. The beauty of the system—from your point of view—is that if the official fails to move quickly he will have the private office on his back demanding to know why.

DON'T be shy of ringing up an official you know—even if you have only met him once at a formal function. He will almost certainly do his best to be helpful. If he can't give you any guidance himself he will find out the name and number of some other civil servant who can.

DON'T start at the top of the Civil Service hierarchy unless you know someone there. Your query will only be passed down the line to the Principal or Assistant Secretary who has a *detailed* knowledge of the subject. You can always demand a right of appeal to someone higher up the ladder later on. (The rule about not starting at the top only applies to officials—Ministers are fair game.)

DON'T overlook the 10 regional offices of the Department of Trade and Industry, which are good initial points of contact.

DON'T neglect your trade association. Trade associations carry considerable weight in Whitehall because they can give an industry-wide view. Make sure you contribute to that view.

DON'T forget that you have something the mandarins want—information. The only way they can find out about the plans, problems and general position of an industry or a company is if you tell them. Unless you are lobbying for something that is very specific to your own organisation—a grant, for example—always try to put your request in as broad a context as possible.

DO give them early warning of possible problems. The sooner you tell them that a proposed change in the tax rules will spell disaster for the British widget industry, the sooner they can act to change things. This is good for the widget industry. It is also good for the individual civil servants who will earn brownie points from their bosses for displaying perception and foresight. That will make them all the more keen to develop their personal relationship with you.

DO feed them from time to time. Whitehall's inhabitants tend to be incorruptible—but hungry.

DO realise that, having eaten your lunch, the first thing your guest will do when he rolls back to his Department is to write down everything you said. He will then distribute copies of the conversation—plus his impressions of you—to anyone and everyone in Whitehall who might conceivably be interested. His notes will also be put on file. So watch what you say.

DO the same when you get back to your office. And make sure that everyone in your organisation reports on all meetings or conversations with Whitehall — however casual. This will ensure that your left hand is playing the same tune as your right. It will also help you to build up a picture of the way their thinking is going.

DON'T be overawed by Ministers. GJW, a lobbying agency set up by the former aides of Edward Heath, Jim Callaghan and David Steel, says it is constantly surprised how a strong company chairman will wilt when faced with a Minister. The fact that he is surrounded by hordes of seemingly respectful civil servants can create a certain mystique. But it is pure stage management — and some Ministers rely heavily on the prompt.

DON'T—ever—listen to them if they tell you not to make a fuss. You would be amazed at the number of normally intelligent people who have fallen for the following line: "This requires very delicate handling and any publicity or rocking of the boat would be fatal at this stage. . . ." What they mean is that any publicity or general boat rocking would probably force them to agree to your demands. Requests for discretion—from either Ministers or officials—should be the signal for you to start complaining from the house tops.

DON'T confine your lobbying activities or your Civil Service contacts to *one* Government Department. Departments of State have been rightly compared to feudal baronies and they are constantly warring. The battle grounds are inter-departmental meetings. You need to ensure that other Departments are supporting your case rather than opposing it. They can also help you when your "sponsoring" Department—DTI for example—is being difficult. You could try chatting up the Foreign Office on export questions; Employment on any scheme involving the creation or safeguarding of jobs; Environment on planning approvals, business rates and pollution; or the Treasury which has a finger in every pie and a spoke in most people's wheels. If you can put forward arguments that will advance your case *and* help one Department score off another at an inter-departmental meeting, you'll be a hero.

DON'T neglect backbench MPs, particularly the constituency MP where your office or plant is sited. They're paid to represent you—and if they can get some favourable publicity in the local Press for doing so they'll be only too happy to oblige. The best way to use them is to get them to ring or write to Ministers on your behalf. Whitehall—particularly a Minister's private office—will jump to it when it receives a letter from an MP. And nothing annoys a Minister more than toddling into the Commons for the 10 o'clock vote only to be pounced upon by a backbencher demanding to know why his constituent's urgent query hasn't been answered.

## A GUIDE TO THE LANGUAGE

CONTEXT and tone of voice are all-important when it comes to interpreting the language of Whitehall. Here are a few of the more commonly used expressions—with translations.

"Do let us discuss this further . . . ."

*TRANSLATION: We have a whole pile of objections to put forward.*

"This is most interesting. . . ."

*This is superficial and badly argued.*

"We are most grateful to you. . . ."

*—Your whole approach is totally inept.*

"Some clarification would be useful. . . ."

*—You are talking nonsense.*

"This will require careful thought. . . ."

*—We don't intend to do anything about it.*

"We feel more work is called for here. . . ."

*—We're not going to waste another moment on this.*

"There could be difficulty on timing. . . ."

*—We're going to block you.*

"We must wait until the climate is right. . ."

*—And that won't be in your lifetime.*

"We question whether this would be helpful. . . ."

*—This must be stopped at all costs.*

"We were most concerned to learn of your action. . . ."

*—You have committed a hanging offence.*

"We wonder whether your decision was wise. . . ."

*—You're a bloody fool.*

## Lombard

# Helping out the volunteers

By Robin Pauley

EVERY YEAR around 1,000 men and women leave their homes and jobs in Britain, with the full backing and support of the British Government, to work for two years or more in areas of acute need under the British Volunteer Programme. When they return, many face extreme financial hardship through an over-stringent interpretation of a bureaucratic rule governing unemployment and sickness benefit which clearly needs changing.

The volunteer programme is made up of four voluntary agencies all enthusiastically and financially supported by the Government through the Overseas Development Administration. They are the Voluntary Service Overseas (VSO), the Catholic Institute for International Relations (CIIR), International Voluntary Services (IVS) and the United National Association International Service (UNAIS).

Gone are the days when VSO was a worthwhile and exciting way of filling in a year or two before or after university. Third World needs are now much more advanced and require people with experience in technological, medical, social, scientific and agrarian fields. Typical volunteers are therefore in their late twenties or early thirties, skilled and employed in Britain. They go for a minimum of two years as part of the British aid programme, earning local rates of pay which are usually minimal.

That is the catch. The local rates of pay are usually so low as to fall below the £1,768 a year minimum earnings limit for British Class I National Insurance contributions. As a result they lose their entitlement to unemployment and sickness benefit when they return to Britain. As it is inevitable that many volunteers will return home with no money and no job, they have to apply for benefits. All, including supplementary benefit, are often refused, leaving them penniless.

Rising unemployment makes it all the harder to re-enter employment and this, coupled with a ruling which makes near-destitution possible on return, could deter both employed and unemployed people from volunteering for service overseas in the future.

A typical case in point is Christopher Pyke of Wokingham, who has returned to Britain after four years as a VSO social worker at a boys' rehabilitation unit in Dominica. He was paid the local rate of pay (£9) the week before he left Dominica and on arriving home was told by the local Department of Health and Social Security office that he was ineligible for all benefits including supplementary benefit. His appeal was turned down.

When VSO officers tackled Dr Rhodes Boyson, Social Services Minister, about the special plight of this small proportion of the community, he refused to help on the grounds that allowing VSO volunteers below the minimum earnings limit to pay Class I contributions would lead to pressure from groups inside Britain below the minimum limit who would also want to pay Class I contributions. As the scheme is not wholly self-financing at the lower levels of contribution, the costs would render such a concession out of the question, even in the case of such a worthy group of people, said Dr Boyson.

This seems an excessively harsh and bureaucratic, not to say thin, line of resistance. British citizens working voluntarily abroad with the support of the Government and receiving Third World local pay rates are clearly an unique group with whom other groups have no common cause. VSO is prepared to pay the existing statutory minimum contribution into the National Insurance scheme for each of its volunteers.

This is the sort of problem which arises from institutionalised inflexibility and which ministers would jump to sort out if it affected a large or powerful group of people. During the recess Mr Timothy Raison, Overseas Development Minister, and Dr Boyson should try to find a way out of inflicting unintentional hardship on a small group of people.

They could start by considering the VSO's own suggestion; distinguish between part-time and full-time workers and allow only full-time workers (but all of them) in the UK to pay Class I contributions following the precedent of a concession to volunteers overseas. The real net cost would then be very small, since only a tiny handful of full-time employees can be earning less than £1,768.

# Letters to the Editor

## Accounting for inflation

*From, — Mr W. Nixon,*

Sir, — Michael Prowse's article on inflation accounting, "Time to stop the fudging" (August 3), makes several criticisms of ED 35 and proposes an alternative method based on the proprietary concept of business incomes.

His argument is correct in three important respects. It is totally illogical to maintain that current cost information is essential to "a true and fair accounts but not for private ones. Any successful inflation accounting proposals must be preceded by the resolution of the entity versus proprietary income measurement issue. ED 35 "deserves criticism — and not justfrom the Luddite fringe that opposes all improvements in financial reporting".

Michael Prowse is wrong however, to argue that a proprietary measure of business income, which calculates the purchasing power of shareholders' equity and stresses the need for current valuations of real assets, is the answer to the inflation accounting problems. Such an argument makes the fundamental error of assuming that there is a single, universally applicable, method of measuring income that is consistant, in all instances, with the primary reporting requirements to give "give a true and fair view" of a company's results. His approach underestimates the very real differences in both the nature of businesses and their operating environments.

It is one thing to state that the effects of changing prices on a company's operations must be calculated and disclosed in order that the accounts should give "a true and fair view"; it is quite a different matter to require that the effects of changing prices on a business should be measured in specified way. This search for a one best solution has plagued the entire debate on inflation accounting. Any attempt to impose one or even, as in the United States, two specific methods of accounting for changing prices upon all public companies is likely to render "a true and fair view" completely meaningless or to result in widespread non-compliance. Either way the accounting profession will suffer.

Wm. A. J. Nixon,
*Department of Accountancy and Business Finance,*
*The University, Dundee.*

## Holly goes to Hollywood

*From Ms K. Harris*

Sir,—On reading the FT of August 11 I was surprised to see the caption under the photograph of Frankie Goes To Hollywood. As anybody who knows about these things will know, there is no such person as Frankie in this group. The person to whom you drew attention is Holly Johnson. In these circumstances I have had to warn my father that other articles may not be as accurate as he believed!

Katherine Harris.
(Aged 13 years.)
*Beechwood,*
*61 Hitchens Hatch Lane,*
*Sevenoaks, Kent.*

## Subsidiaries and parents

*From the Chairman,*
*Boxfoldia*

Sir,—A parent company can determine the policy of a subsidiary; can influence its operations, if not actually direct them; and can in fact, if it is so inclined, "cream off" its assets or operate it in such a way that it sells its services or products at a highly inflated price to the subsidiary, or buys at a grossly devalued price what it buys from the company; and can put it into bankruptcy and leave the creditors of the company without recourse to itself or any other body for payment of the subsidiary's debts.

This seems to me to be one of the most iniquitous situations in our current law. It appears to be totally ignored in the current White Paper, if the articles and letters I have read are to be believed, and yet it may be one of the worst abuses of company limited liability.

The Bill gives a period of three months before it becomes necessary to call a meeting of unsecured creditors. A great deal can happen in three months. The moment a Receiver is appointed under a floating charge, or by any other secured creditors, he should, under law, be under an obligation to call a meeting of the whole of the creditors so that he, and they, may understand the whole situation.

While under law it is not possible for unsecured creditors to over-rule or replace the secured creditors, at least the secured creditors should not be in a position to dispose of assets at a figure which may be much below their market value in order to satisfy those secured creditors, leaving the unsecured creditors with nothing or a minimal figure to meet their claim.

Law in this country is supposed to be based upon justice to individuals and to corporations, and it is necessary that this aspect should be heavily underlined.

(Dr) Beryl Foyle.
*Boxfoldia,*
*Bournbrook, Birmingham.*

## Effects on employment of change in minimum wage rates

*From Professor S. Dennison.*

Sir,—The claim by the director of the Low Pay Unit (August 3) that Winston Churchill's verbiage of 1909 "laid to rest" anything of significance greatly exaggerates that statesman's contribution to understanding of economic proceses. It is simply an embellishment of the oft-repeated contention that minimum wage legislation is necessary to ensure "fair competition" by protecting the "efficient" against wage cutting by "inefficient" employers. It is essentially specious, as shown in the paper by Dr David Forrest and myself, which Mr Pond considers to be a "museum piece".

Mr Pond's imaginative description of employers always "looking over their shoulders" in case rivals are cutting wages, and needing "stability" in order to plan, must apply to every form of competition, including prices. Of course many firms dislike competition, and would willingly opt for a quiet life in order to pursue their untroubled existence, cocooned in security. This is the source of support by many employers for minimum wages, minimum prices, protection from imports, and "regulated markets" generally. This is discussed by Dr Forrest, who cites an interesting case which Mr Pond might like to add to his dossier. From the 1870s on, the British jute manufacturers tried to persuade the Government of India to impose minimum wages and maximum hours of work in their mills. This is paralleled by the present-day enthusiasm, including that of trade unions, for the application of International Labour Office conventions, and more effective enforcement to other countries, including the under-developed.

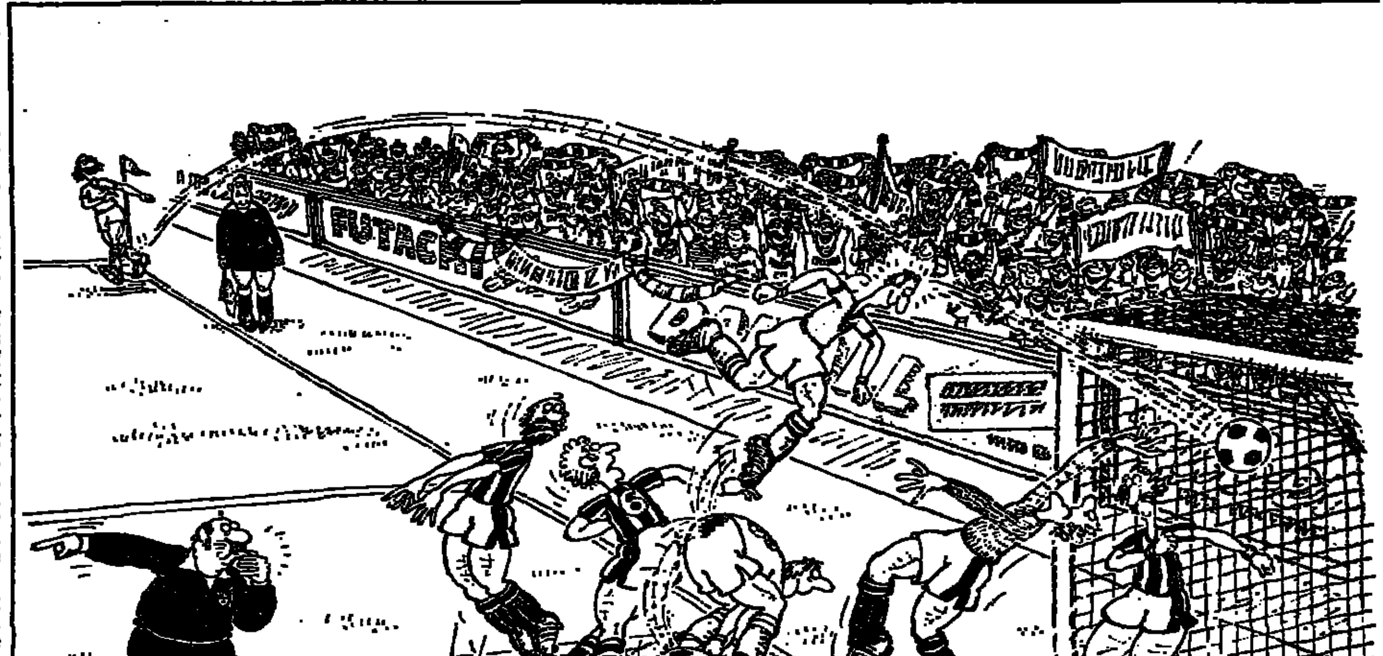
It is undoubted that some people, employers as well as workers, gain from minimum wages. Again this is meticulously considered by Dr Forrest. The gains of the few are outweighed by the greater losses of the many. Efficient firms are restricted, new firms find it more difficult to get going (especially important for small businesses), potential workers—at the present time especially juveniles — cannot get jobs or are forced into unregulated lower-paid work, consumers have to pay higher prices with consequent restriction of demand and output, and stagnation becomes substituted for "stability".

Mr Pond states that "an analysis by the unit shows that, even on the assumptions built into the Treasury economic model, the complete abolition of wages councils . . . . could be expected to create at most 8,000 jobs over five years." Even this is a damaging admission, as it is fundamental to the Low Pay Unit's various arguments that wage cutting cannot create any jobs, but rather destroys them. The clause "even on the assumptions of the" model, is puzzling, as the exercise is entirely in terms of the model, and there is no other attempt to evaluate the effects. Essentially, however, it is meaningless, a case of garbage in garbage out.

The effect on employment of the abolition of the Councils would depend on the magnitudes of changes in hundreds of wage-rates of 3m workers—in thousands of firms in a wide range of trades with differing market conditions — five years ahead, when there will have been considerable changes in the patterns of employment, in the wages councils trades as elsewhere. There are no means by which these can be predicted. Broad assumptions based, for example, on existing relationships between average earnings in different trades are worse than useless. A better, but still imperfect indicator is to use the various econometric studies of minimum wages to show the estimated effects on employment of given percentage changes in minimum rates.

This prompts the general reflection that macro-economic analysis of aggregates is not an appropriate instrument for the understanding of the micro-economic processes of the market for individual goods and services.

S. R. Dennison.
*22, Percy Gardens,*
*Tynemouth,*
*Tyne and Wear.*



FINANCIAL TIMES

Thursday August 16 1984

# SKF plans staff rights issue after 94% rise in profits

**By David Brown in Stockholm**

SKF, the Swedish roller bearing and engineering group, increased net profit 94 per cent for the first six months to SKr 524m ($63m) compared with the previous corresponding term due to higher volume sales and lower financial costs.

The group will offer a rights issue to employees aimed at raising SKr 237m through convertible notes.

Net SKF group sales climbed 12 per cent to SKr 9bn. Demand was particularly strong in the U.S., but was still described as "tentative" in Europe.

Total costs in proportion to group sales continued to decline and operating profits after depreciation advanced by SKr 163m or 36 per cent to SKr 617m. Net financial costs fell 50 per cent or SKr 91m due mainly to improved liquidity.

The biggest improvement was noted in the bearings division, which accounts for two-thirds of total group sales. Turnover advanced 7 per cent, while net profits climbed SKr 134m to SKr 380m as margins advanced from 4.2 to 6 per cent.

Demand for special steel recovered sharply with sales up 25 per cent to SKr 1.5bn. Profits bounced *out of the red to reach SKr 68m*, an improvement of SKr 89m.

SKF says it has become a major shareholder in a SKr 500m ferrochrome plant, which will use its new plasma production technology. The plant will come on line in Sweden in early 1986, with an annual capacity of about 78,000 tonnes.

Turnover in products other than bearings, steel and cutting tools advanced 23 per cent to SKr 1.37bn but profit remained steady at SKr 33m, with margins down 0.5 per cent to 2.4 per cent.

Sales at the cutting tools division advanced 16 per cent to SKr 355m, and profits climbed SKr 30m to SKr 53m.

Capital expenditure in the six months declined SKr 38m to SKr 242m. Liquid assets grew SKr 400m to SKr 2.8bn. Net profit a share doubled to SKr 9.95.

SKF reiterated its prediction that full-year sales will advance between 10 and 15 per cent. Higher *demand will allow a "substantial"* improvement in profits.

# German co-op banks in DM 144m rescue move

**BY JONATHAN CARR IN BONN**

WEST GERMANY'S co-operative banks have agreed to pump DM 144m ($49.5m) into Volksbank Oberhausen, one of their number which got into difficulties after the collapse of a property group to which it had lent funds.

The action constitutes the biggest rescue operation to be carried out by the co-operative sector, one of the country's largest banking groups with total assets of more than DM 360bn.

The DM 144m is being drawn from the co-operative banks' safety fund, which was set up to ensure that customers' deposits would be secure if any emergency developed.

It is being paid over as part of a plan agreed between the co-operative sector and Volksbank Oberhausen, to help ensure that the bank will now be on a sound footing.

Volksbank Oberhausen is the 104th biggest co-operative bank, with a balance sheet total at the end of last year of more than DM 400m and about 150 employees. Its basic capital totals DM 15m.

The bank, based in the Ruhr industrial area of the state of North Rhine-Westphalia, got into difficulties through its involvement with the Reh property group, based in the nearby town of Bottrop.

The Reh group, which among other things owned several large hotels in North Germany, collapsed earlier this year with debts believed to total several hundred million D-Marks. The exact total of Volksbank Oberhausen's involvement with the Reh group has not been disclosed.

Apart from the difficulties at the Oberhausen bank, problems have also emerged at Hammer Bank Spadaka (Spar- und Darlehenkasse), another co-operative bank.

Supervisory authorities were recently called in to examine details of 25 credit sums, with a total volume of more than DM 300m, granted by the bank – the co-operative sector's seventh largest.

Later authorities issued a statement saying customers' deposits were secure.

# UK dock peace threatened by moves to safeguard steel plant

**BY BRIAN GROOM, LABOUR STAFF, IN LONDON**

A FRAGILE peace in the UK ports industry was under threat last night after the British Steel Corporation (BSC) said it would "review its options" for safeguarding Ravenscraig steelworks in central Scotland

A meeting of a committee of the *National Dock Labour Board in* London yesterday failed to break the deadlock over a dockers' ban on coal imports at BSC's Hunterston terminal on the Clyde, which supplies Ravenscraig.

A ship is at present waiting off the Clyde with coking coal urgently needed for Ravenscraig. BSC last night declined to say what the options were. If the threat to Ravenscraig is to be taken seriously BSC would seem to have two choices.

One would be to dock and attempt to unload the ship; the other would be to transfer the ship to a more distant port and mount a long-distance lorry convoy back to Scotland.

BSC has not ruled out an attempt to unload the ship, the Liberian-registered Ostia which is carrying 95,000 tonnes.

The Transport and General Workers' Union (TGWU) has threatened another national dock strike if this is done without the use of its members. *TGWU tugboatmen and* registered dockers at Hunterston are blacking coal in support of the miners' attempt to cut steel production.

Meanwhile, a growing number of local disputes at other ports underlined the increasingly volatile situation in the industry which has *emerged since the ending of last* month's two-week national dock strike.

None of the simmering disputes threatens to blow up into a national strike yet, but there is a feeling among employers in some ports, and in some parts of Whitehall, that there are enough potential pretexts if the transport union leadership wanted to mount another strike to help the miners.

Mr Reg Thompson, chairman of the docks board, said more information on the Hunterston position was needed. He expected a meeting of the full board to be called within a few days.

BSC argues that the statutory dock labour scheme would not be breached if members of the Iron and Steel Trades Confederation, who drive the cranes at Hunterston, unloaded as much coal as the cranes could reach without the help of dockers who normally work in the holds of ships.

*Concern among employers is* growing about the disputes in other ports. *Many of them are the result* of increased militancy by dockers after the national strike. They include:

- An attempt by the TGWU to curb the use of non-registered labour – the issue behind the strike – in *scheme ports. This has caused* a problem at Bristol, where dockers are objecting to the use of outside contractors' employees to operate mobile cranes.
- Tugmen at Bristol are on strike after their employer suspeded four members for resusing to work with non-union workers. Two ships have been diverted to other ports.
- Southampton dockers are claming the right to handle cargo in the newly-opened freeport. This is potentially the most serious dispute, but pickets were removed yesterday after talks were set up with the freeport company.
- The Port of Londonl Authority's 2,700 dockers will strike for 24 hours today after delays in arbitration over a 2.5 per cent pay offer, which they say is too low.
- No agreement has yet been reached at Immingham on Humberside for dockers to load iron ore on to lorries for BBC's Scunthorpe works.

Miners' strike, Page 2

# Saudi oil authority to form marketing operation

**By Richard Johns in London**

SHIPMENTS of oil products from the first of three Saudi Arabian export-orientated oil refineries begin next week amid concern about the *long-term impact of the industry* worldwide and doubts about the projects' immediate profitability.

The start of shipments comes alongside plans by Petromin, the Saudi state-owned oil corporation, to establish its own marketing oper*ation for the sale of oil products on* both a spot and short-term contract basis. According to Dr Abdul Hadi Tahir, governor of Petromin, it will have its headquarters in London and offices in Houston, Geneva and Tokyo.

There has been speculation that the agency may also sell through established major traders on a commission basis. One company known to be interested, in principle, is British Petroleum which is understood to have had regular contacts with Petromin recently.

The first refinery, a joint-venture owned by the Saudi Government and Mobil, started operations early in August without definitive agreement on the price of the crude oil it is processing or the conclusion by Petromin of contracts for its share of production.

Shell, with a similar joint venture at Jubail in the Eastern Province beginning at the end of the year, is also still in negotiations with Petromin.

Both have a capacity of 250,000 barrels per day, although the Petromin-Mobil plant is not expected to run at more than 150,000 b/d initially. A third one with a capacity of 325,000 b/d, under construction by Petrola of Greece at Rabigh on the Red Sea, will not now be completed until 1986.

Mobil is expected to dispose of the bulk of its share of production through its own international marketing system. Petromin, for the present, *will sell its share on the do*mestic market.

Mobil said last month only minor points remained to be worked out in its negotiations with Petromin. Dr Tahir was reported as saying negotiations were "almost" concluded.

One problem has been Saudi Arabia's refusal so far to consider providing crude for the refineries at less than official selling prices – a stand which has relieved officials of the Organisation of Petroleum Exporting Countries, who are concerned about the increased flow of products from member states undermining crude prices.

The failure to finalise terms with Mobil and Shell has delayed the conclusion of contracts by Petrom*in.*

# THE LEX COLUMN

## Sour taste to milk quotas

Feedstock suppliers to the dairy farming community have enjoyed a bumper few years on the back of the EEC's procrastination in restricting its open-ended subsidies on milk. The soaring profitability of the feed companies has nowhere been more evident than at J. Bibby, where the share price since 1979 has risen with hardly a pause for breath – until this summer. Now that milk production quotas have finally descended, Bibby like its main competitors has seen a sharp correction: at 220p, down 13p, its shares closed last night nearly 20 per cent off their year's high. As yesterday's results for the first half suggest, however, the market could easily be overestimating the impact on Bibby of the end to the farmers' bonanza.

This is not to deny the impact of the quota system. The fields must be full of undernourished cows after a 30 per cent drop in cattle feed sales for May/June, and milk production is reportedly running at present about 10 per cent below year earlier levels. But in the face of this manifest over-reaction by the farmers, Bibby has fared much less badly than might have been expected in the short term and can reasonably hope to see further growth for its feed businesses in the long term.

Over the six months to June, strong feed sales in the first quarter have in part offset the subsequent problems. More to the point, new acquisitions have neatly compensated for the damage inflicted by the milk fracas in terms both of volume sales and trading profitability. Thanks also to the steadily increasing efficiency of Bibby's feed plants *and reductions in overtime* wag costs, the group has managed to push feed and seed profits up by 12½ per cent to underpin pre-tax profits of £8.1m against £7.2m.

Should the constraction of the UK feedstock market finally emerge at about 10-15 per cent, as seems most likely, Bibby looks well placed to adjust its own operations and then go in search of a higher market share. Meanwhile, profits on other farm products are still set to grow this year – despite a £½m loss on turkeys in the first half – and the industrial businesses appear more than ever a sound base for Bibby's acquisition plans. The setback for the share price ought to cause little worry in this direction: assuming pre-tax profits of £21m this year, the shares remain on a p/e multiple just over 15.

### General Accident

General Accident's second quarter figures had the doubtful merit of looking better than Commercial Union's, thanks largely to the discipline which GA brought to its UK rating structure late last year. But *in the U.S.*, there is precious little to choose between the performance of *any of Britain's composite insurers.* On commercial business in particular, the underwriting results are universally appalling.

Over the first six months, GA's underwriting deficit in the U.S. leapt from £26.3m to £61.0m, almost enough in itself to account for the collapse from group pre-tax profits of £35.9m to a loss of £700,000. The claims experience on U.S. personal lines was none too bright, but the real damage was caused in the commercial market where the second quarter combined ratio was probably around 135 per cent and, on general liability lines, no less than 160 per cent.

In the UK, by contrast, GA is reaping the benefits of a tougher line on rating, particularly in the motor account. The second quarter was flattered by a release of equity but the group has successfully compensated for an 11 per cent fall in motor account premiums by picking up business elsewhere and keeping a tight rein on expenses. Full year profits of around £45m are probably not too much to ask for and, after the maintained interim, GA should manage a final payment of about 12.5p to leave the shares, unchanged yesterday at 455p, reasonably well supported by a 6.5 per cent yield.

### BSR

The volatility of BSR's share price has frequently lent a special significance to the company's Hong Kong base but seldom has the price reacted as violently to a particular item of news as it did to yesterday's interim statement. While London's analysts were questioning the management via an elaborate telephonic link, their colleagues in the dealing rooms sent the price tumbling 28p to 165p.

BSR is *growing* and shrinking the different branches of its business at such that a rate that the market was prepared to accept a widish margin of error. But at £8.8m, pre-tax profits for the six months to June were short of even the more conservative forecasts by at least £3m, causing analysts to revise down full-year estimates from the £35-40m district to around £30m.

The group made £30.9m pre-tax last year so it has not exactly run out of growth. Moreover, the heavy cash outflow of the first half should be largely corrected in the second, *even if BSR fails to find a buyer for* its housewares business by the year-end. But the market had clearly underestimated the R & D and start-up costs associated with rapid growth in electronics. Moreover, now that power supply and power conversion are making all the running, the group is again being criticised for its undue dependence on a single – and vulnerable – line of product. After the recent fall from grace, the prospective multiple is around 10 times.

# Mixed fortunes for UK motor insurer

**BY ERIC SHORT IN LONDON**

GENERAL ACCIDENT, Britain's largest motor insurer, yesterday reported mixed fortunes on its worldwide insurance operations over the first six months on 1984.

Poor results in commercial opera*tions particularly in the U.S. were a* factor in the groups £700,000 ($924,000) pre-tax loss at the half way stage. However, the group reported a strong recovery in its major UK motor account.

Worldwide underwriting losses – the excess of claims paid and expenses incurred over premiums received – in the half year almost doubled from £67.4m to £118.1m. A 7.5 per cent real growth in investment income to £115.3m failed to cover this underwriting deterioration.

Like Commercial Union Assurance, which last week reported a £14.5m pre-tax loss for the half year, GA *is finding conditions* in the U.S. going from bad to worse, with a heavy *underwriting deterior*ation in the first quarter being followed by an even larger *one* in the second.

GA confirmed CU's experience that it is commercial rather than personal insurance lines that are providing the most headaches in the U.S. Underwriting losses over the half year more than doubled from £26.3m to £61m, even though the group stated that weather losses remained significant.

The U.S. deterioration arises from inadequate premium rates failing to cover rising numbers of claims in most commercial lines. The rate increases now being made by across the market in commercial business will be too late to affect 1984's overall results.

In contrast, the results for GA's UK motor business must shine like a beacon amid the gloom of the other accounts. The two rates increases made last year by GA, combined with falling claims because of the dry weather in the second quarter, turned last year's £11.4m loss into a £2m underwriting profit – a rare event for motor insurance these days. However, this improvement has cost GA a loss of market share, premium income being 10 per cent down at the half year.

This recovery did not spread to GA's other UK business however. Losses on the householders' account climbed from £6.1m to £9.7m over the half year, with rising numbers of subsidence claims (up 30 per cent) and likely to get worse over the rest of the year, compounding weather losses in the first quarter.

Commercial business in the UK, as in the U.S., is suffering from inadequate premiums and rising claims, particularly fire claims, and losses soared from £7m to £17.4m.

Details, Page 17 Lex

# Quarterly deficit cut at Dome Petroleum

**BY ROBERT GIBBENS IN MONTREAL**

DOME PETROLEUM, the troubled Canadian energy group, reports a net deficit of C$61.6m (U.S.$47.3m) for the second quarter of 1984 following currency losses of C$72.3m.

The result compares with net losses a year ago of C$86m which largely stemmed from writedowns on oil and gas properties totalling C$97.9m.

Earlier this year the group, which last month signed a C$5.2bn debt rescheduling agreement with creditors, said that second-quarter earn*ings would be hampered by a num*ber of adverse influences.

For the first six months of this year, Dome was C$101.2m in the red after tax, against C$78.8m for the opening six months of 1983. Revenue for the half year totalled C$1.2bn, down from C$1.25bn.

One would be to dock and attempt to unload the ship, the other would be to transfer it to a more distant port and mount a long-distance lorry convoy to Raverscraig.

The company said its cash-flow for the six months – down from C$151m to C$38m – has been adversely affected by factors which the rescheduling of its debt would *change.*

It said on formal completion of its debt rescheduling a large portion of debt would become long term and the impact of exchange fluctuations on funds generated from operations would be considerably reduced.

*However, Dome* stressed that rescheduling would not have the effect of reversing all foreign exchange losses.

During the six months, crude oil and natural gas revenue was C$525.4m, up from C$472.5m. Natural gas liquids revenue fell to C$84.9m from C$118.8m and contract drilling revenue fell to C$59m from C$64.6m.

# U.S. growth forecast

**Continued from Page 1**

spending growing slightly more slowly than earlier estimates.

The OMB now puts defence outlays for the period 1984-86 at $794.4bn, about 10 per cent lower than assumed in its January, 1983 calculations. "This reduction accounts for about one third of the downward revision of the deficit estimate over the period," it says.

The *review suggests that tax* revenues will rise only modestly above earlier estimates and forecasts declining unemployment throughout the rest of the decade.

- Federal Reserve Chairman Mr Paul Volcker said 1985 monetary growth range targets could accommodate a more rapid economic expansion than expected next year, Reuter reports.

Mr Volcker's written comments were made in response to questions submitted to him by members of the Senate Banking Committee following his testimony on July 25. His answers were released by the committee.

Mr Volker was asked how the Fed would respond if the economy grew *faster* than the 3 per cent growth projected by the Fed without inflation pressure.

"A more favourable outcome, in which our economy proved capable of sustaining more rapid economic expansion for some time without generating a pick-up of inflation, would be most welcome."

# UK less competitive

**Continued from Page 1**

pointed out that the recent rise in employment contrasted with a fall of 22,000 in the first quarter, of 41,000 a year ago and of a fall of 213,000 in one quarter in the depth of the recent recession.

Since June 1979 1.62m jobs have been lost in British manufacturing industry. This fall has to be set against a long-term declining trend of manufacturing employment in most industrial countries with a shift to employment in service industries.

The department's latest figures for average earnings showed an underlying rise of 7¾ per cent in the 12 months to June for the whole economy and 9¼ per cent for manufacturing industry.

# FCA revised result shows $107m loss

**Continued from Page 1**

of pass-through certificates issued by the Government National Mortgage Association (GNMA), comes at a particularly difficult time for the company.

The group is being forced to pay more for its funds than its rivals and, after the recent rise in U.S. interest rates, is believed to be losing money on its fixed-rate lending which constitutes a large part of its portfolio.

FCA is more dependent than most S & L's on the volatile money markets for funds. There have been fears that its recent well-publicised problems could precipitate a loss of confidence in what has become a major U.S. financial institution – with assets of $32bn – and the country's biggest property mortgage lender.

As a result of the need to restate its figures, FCA's published net worth at the end of June has been revised downwards from $852.4m to $697.2m. This compares with a published figure of $924.98m at the end of 1983.

The revised figures put further pressure on FCA's capital ratios which even before today's announcement were under close scrutiny by the U.S. regulatory agencies.

FCA says that the company, advised by its auditors Arthur Anderson; had accounted for these investments as financing transactions in the same manner as other investments in GNMA participations with associated borrowings.

FCA shares, which had been sus*pended before the news, opened* sharply lower at $5¼ yesterday compared with $7⅛ on Tuesday evening.

The company, which also reported a first half loss of $79.9m, compared with an earlier reported $75.3m profit, says that in the present operating environment it is expected that this year's net earnings will be significantly less than the record net earnings in 1983.

# World Weather

| | | °C | °F | | | °C | °F | | | °C | °F | | | °C | °F |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Ajaccio | S | 25 | 77 | Dubrovnik | C | 22 | 72 | Malaga | S | 28 | 82 | Salzburg | C | 21 | 70 |
| Algarve | F | 29 | 84 | Faro | S | 25 | 77 | Malta | C | 32 | 90 | Seoul | R | 26 | 79 |
| Algiers | S | 29 | 84 | Florence | F | 28 | 82 | Manila | R | 27 | 81 | Singapore | F | 32 | 90 |
| Amsterdam | C | 20 | 68 | Frankfurt | F | 23 | 73 | Miami | C | 30 | 86 | Stockholm | F | 18 | 64 |
| Athens | S | 28 | 82 | Funchal | F | 22 | 72 | Milan | F | 25 | 77 | Strasbourg | S | 24 | 75 |
| Bahrain | S | 36 | 97 | Geneva | S | 23 | 73 | Moscow | C | 15 | 59 | Sydney | F | 16 | 61 |
| Bangkok | F | 32 | 90 | Gibraltar | S | 29 | 84 | Munich | S | 22 | 72 | Taipei | R | 29 | 84 |
| Barcelona | — | — | — | Guernsey | S | 20 | 68 | Nairobi | — | — | — | Tangier | S | 24 | 75 |
| Beirut | S | 29 | 84 | Helsinki | C | 13 | 55 | Naples | C | 27 | 81 | Tehran | — | — | — |
| Belgrade | S | 24 | 75 | H. Kong | F | 31 | 88 | New Delhi | C | 38 | 100 | Tel Aviv | S | 32 | 90 |
| Berlin | C | 18 | 64 | Innsbruck | C | 18 | 64 | New York | C | 31 | 88 | Tenerife | S | 23 | 73 |
| Biarritz | F | 22 | 72 | Inverness | C | 17 | 63 | Nice | S | 26 | 79 | Tokyo | F | 34 | 93 |
| Blackpool | F | 18 | 64 | Istanbul | F | 25 | 77 | Oporto | C | 24 | 75 | Toronto | C | 28 | 82 |
| Bordeaux | S | 26 | 79 | Jersey | C | 18 | 64 | Oslo | C | 16 | 61 | Tunis | S | 32 | 90 |
| Brussels | S | 23 | 73 | Jo'burg | F | 21 | 70 | Paris | C | 17 | 63 | Valencia | F | 29 | 84 |
| Budapest | F | 23 | 73 | Las Palmas | S | 25 | 77 | Prague | F | 22 | 72 | Venice | S | 25 | 77 |
| B. Aires | F | 16 | 61 | Lima | C | 20 | 68 | Reykjavik | R | 11 | 52 | Vienna | S | 23 | 73 |
| Cairo | S | 36 | 97 | Lisbon | S | 24 | 75 | Rio de J'o | C | 25 | 77 | Warsaw | C | 18 | 64 |
| Cape Town | S | 20 | 68 | Locarno | S | 24 | 75 | Rome | S | 27 | 81 | Zurich | S | 23 | 73 |
| Caracas | C | 27 | 81 | London | S | 25 | 77 | | | | | | | | |
| Casablanca | S | 24 | 75 | Los Angeles | F | 28 | 82 | | | | | | | | |
| Copenhagen | R | 19 | 66 | Luxembourg | F | 22 | 72 | | | | | | | | |
| Corfu | T | 25 | 77 | Madrid | S | 31 | 88 | | | | | | | | |
| Dublin | C | 16 | 61 | Majorca | S | 28 | 82 | | | | | | | | |

*Readings at mid-day yesterday:*

C-Cloudy D-Drizzle F-Fair Fg-Fog H-Hail R-Rain S-Sun Sl-Sleet Sn-Snow T-Thunder

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FINANCIAL TIMES
Thursday August 16 1984

WALL STREET

# Predominant pressures are negative

THE LATEST set of U.S. economic data, on industrial output, indicated continued buoyancy and emerged yesterday a shade higher than expected on Wall Street. Amid concern over the implications for interest rates, financial markets resumed a downward trend, *writes Terry Byland in New York.*

At 3pm the Dow Jones industrial average was down 7.95 at 1,206.16.

Further nervous buying developed in three-month Treasury bills as the money market scrutinised the news from the meeting at Financial Corporation of America (FCA) in Los Angeles. Stock in FCA was suspended before the market opened, at the overnight price of $7⅞, barely above the all-time low.

FCA was traded in the third market following the company's restatement of profits, and 400,000 shares changed hands there at a new low of $5¼.

American Express, in which FCA holds an estimated 4.9 per cent stake, slid an early $1⅜ to $31⅞ in active dealings. It has also attracted adverse comment in the investment press.

Further indication of tension in the short end of the credit market came when the Federal Reserve again drained funds by means of matched sales, for overnight, announced when the federal funds rate was at 11½ per cent. On Tuesday, the Fed made two-day matched sales with the funds at 11⅝.

The bond market's fears of a renewed rise in interest rates, reawakened by the industrial production statistics, brought losses at the long end ranging to half a point or so. The market was cautious ahead of a press conference today by Mr Donald Regan, the Treasury Secretary, on the thorny question of foreign bond sales.

IBM sustained the stock market's underlying confidence with a gain of $⅜ to $121¾, but most of the other blue chips showed minor falls. General Motors, amid the Detroit wage negotiations, eased $⅜ to $74¾.

General Electric dipped $¼ to $57¾. Among the pharmaceuticals, Merck moved $⅝ lower to $86⅝. Airline issues, however, looked steadier. AMR at $27⅛ gained $⅛.

Disappointing results from the major retail stores depressed the sector. Sears Roebuck at $35¼ lost $¼, Allied Stores shed $½ to $46, while Federated Department Stores at $50⅞ was $1¼ off. With the market still digesting the second quarter trading result from J.C. Penney, it gave up $½ to $50⅞.

Technology issues were generally weaker, with Wang Laboratories down $1 to $26⅞ on the American Stock Exchange on fears that the new IBM computer will prove strongly competitive. Xerox also weakened, dipping $⅞ to $38⅞. Texas Instruments at $139⅞ held steady at overnight levels, however.

TOKYO

# Electricals spark surge of strength

A SHARP rally was staged by Tokyo stocks yesterday amid active trading in small and medium-capital electricals and precision instruments, *writes Shigeo Nishiwaki of Jiji Press.*

The Nikkei-Dow average added 80.58 to 10,441.50 on volume up from 166.41m shares the previous day but still low at 218.59m. Gains outpaced losses 411 to 234, with 169 issues unchanged.

Prices soared amid thin sell orders. Electronics-related issues were bought, with investors favouring their business diversification and improving performance. Kyushu Matsushita Electric shot up Y310 to Y3,780, and Tohoku Metal Y190 to Y1,720. Toyo Denki also added Y60 to Y1,530.

Trust management companies purchased these stocks in small lots, stimulating buying interest among investors. Nikko Investment Management bought Kyushu Matsushita, Alps Electric and Tohoku Metal in lots of 20,000 to 30,000 shares each.

Pacific Metals drew speculator interest and advanced Y7 to Y408, topping the list of active stocks with 7.33m shares changing hands. Placed second was Kureha Chemical with 6.45m. It gained Y20 to Y1,170. Toshiba, which rose Y8 to Y416, followed with 6.12m.

Yokogawa Hokushin Electric also jumped Y60 to Y1,000, reflecting active receipts of orders. Nippon Gakki, which is expanding semi-conductor operations, finished Y100 higher at Y775.

Stockbrokers at leading securities houses said investor interest was shifting from biotechnology to electronics.

The dealing sections of major brokerage houses stepped up purchases of some internationally known blue chips in the afternoon, apparently anticipating a rise on Wall Street later yesterday and renewed Tokyo buying in consequence. Hitachi added Y11 to Y872, NEC Y40 to Y1,300 and Fuji Photo Film Y20 to Y1,750.

As the yen appreciated sharply against the U.S. dollar, city, trust and long-term credit banks placed buy orders on the bond market, injecting new life after many dull sessions. But investors still remained cautious, and sell orders were also active. The yield on the barometer 7.5 per cent government bonds maturing in January 1993 dipped from 7.26 per cent to 7.25 per cent.

## AUSTRALIA

RESOURCE stocks, buoyed by the firmer bullion price, encountered heavy buying in Sydney with the All Ordinaries index up 7.3 at 735.1 and the All Resources index 9.1 higher at 510.7.

BHP rose 15 cents to A$10.75 while CSR recouped 4 cents of the previous session's loss to A$3.32. Santos moved 20 cents ahead to A$6.30.

## SINGAPORE

PROFIT-TAKING developed in some Singapore stocks with the Straits Times index 1.83 lower at 952.35.

Pegi, the most active, closed 9 cents up at S$1.93 while United Industrial, also heavily traded, gained 8 cents to S$2.48.

Hong Leong Finance dropped 12 cents to S$3.90 with Development Bank and National Iron both 10 cents weaker at S$7.95 and S$5.10 respectively.

## HONG KONG

AN EASIER opening was reversed in Hong Kong as shares firmed, taking the Hang Seng index 14.02 up to 918.83 during the half-day midweek session.

Some banks were favoured, with Bank of East Asia gaining 20 cents to HK$20.50 and Hang Seng Bank 25 cents to HK$33.

## CANADA

GOLDS emerged as one of the weakest Toronto stock groups, although base metal minings displayed an easier tone with oil and gas shares also weaker.

Banks were the soft spot in Montreal with initial weakness evident in utilities and to a lesser degree in industrials.

EUROPE

# Movements kept to a minimum

TRADING levels on the European bourses which remained open yesterday were depleted by the closure of nearly half the Continental financial centres for the Assumption holiday, and the session's most evident feature was a reluctance to make any major shifts in stance.

The follow-through from Tuesday's flurry of late buying was divergent: Dutch shares generally succumbed to light profit-taking, West Germans oscillated either side of overnight levels, and Swiss blue chips found some further gains.

As **Amsterdam** drifted lower through the day, Hoogovens again stood out with a Fl 1.50 gain to Fl 54.50, making a two-day rise of Fl 3.80 accompanying its results.

The other two of Tuesday's corporate reporters showed declines in line with the market, though: Unilever shed Fl 1.50 to Fl 266, and Akzo a sharper Fl 1.60 to Fl 90.

Domestic bonds edged up 10 to 20 basis points.

A firm **Frankfurt** opening gave way to midsession weakness as orders dried up, but the late tone was somewhat brighter.

Steels were in favour, allowing Thyssen a rise of DM 2.20 to DM 76.70, but car makers were on the weak side – Daimler-Benz and Porsche dipped DM 3 apiece to a respective DM 549 and DM 983.

Banks were also dull, with Commerzbank off DM 1 at DM 151.50, and retailer Horten extended losses by DM 2 at DM 166 for a three-day setback of DM 15. Gross national product figures, highlighting the impact of the engineering industry strikes, came after the close.

A moderately active bond market produced gains of up to ¾ point but averaging 30 basis points, allowing the Bundesbank to sell DM 91.3m in paper.

Scattered foreign demand in **Zurich** favoured Ciba-Geigy – SwFr 5 firmer at SwFr 2,430 while Sandoz slipped SwFr 25 to SwFr 7,125 – as well as Nestle which put on SwFr 10 to SwFr 5,500, returning to its year's peak.

Banks held steady, as did the bond market.

Astra held out against a lower **Stockholm** trend with a SKr 25 leap to SKr 465 – up SKr 45 on the week so far. SKF held unaltered amid its nearly doubled profits.

Banks did best in **Copenhagen** as draft budget plans were unveiled, but Oslo drifted lower.

## LONDON

THE PROSPECT of a national dock strike soured London equities and gilts after early firmness yesterday on the hopes of lower interest rates. The FT Industrial Ordinary index, initially up about 2 points, finished 8.0 down at 841.6, thus erasing most of the previous session's gain.

Long-dated gilts ended ¾ down after showing gains of ¼ while shorts sustained falls of 5/16.

Leading industrials were often neglected but then suffered from a bout of nerves, with index constituent Grand Metropolitan down 16p at 302p, contributing to the indicator's loss.

BSR was 28p off at 165p while ICI, a recent U.S. favourite, shed 6p to 596p. NatWest continued weaker, 16p lower at 467p.

*Chief price changes, Page 22; Details, Page 23; Share information service, Pages 24–25.*

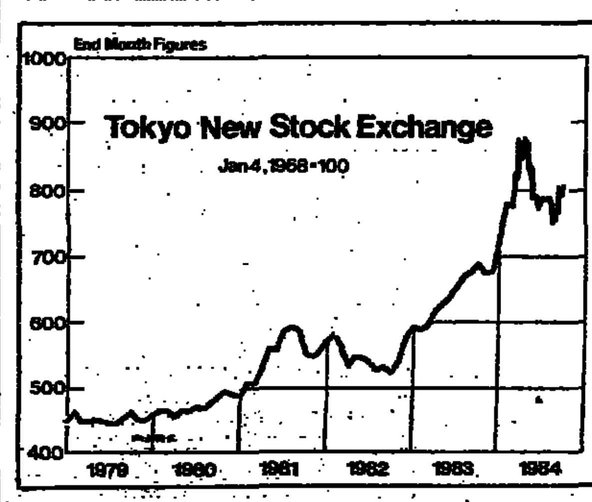
## SOUTH AFRICA

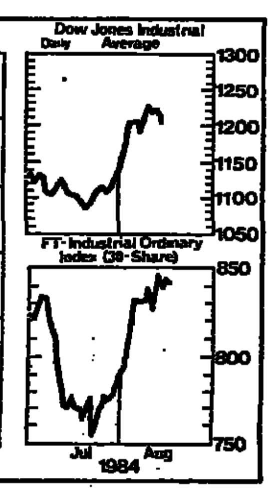
MOST MINING shares ran out of steam in Johannesburg as the bullion price slipped.

Free State Geduld was 10 cents off at R50, and Driefontein eased 25 cents to R48.25. Mining financials saw Anglo American retreat 25 cents to R22.75.

Industrials continued to advance with Barlow Rand 10 cents up at R 12.10 and tobacco group Rembrandt extending Tuesday's rise by 25 cents to R27.25.

## KEY MARKET MONITORS





### STOCK MARKET INDICES

| NEW YORK | Aug. 15 | Previous | Year ago |
|---|---|---|---|
| DJ Industrials | 1206.16* | 1,214.11 | 1,193.50 |
| DJ Transport | 516.43* | 517.93 | 534.61 |
| DJ Utilities | 128.39* | 128.28 | 128.90 |
| S&P Composite | 163.43* | 164.43 | 163.71 |
| **LONDON** | | | |
| FT Ind Ord | 841.6 | 849.6 | 736.0 |
| FT-SE 100 | 1,082.9 | 1,091.8 | 997.1 |
| FT-A All-share | 511.08 | 512.23 | 464.37 |
| FT-A 500 | 554.94 | 556.38 | 503.98 |
| FT Gold mines | 560.7 | 563.0 | 667.7 |
| FT-A Long gilt | 10.48 | 10.41 | 10.71 |
| **TOKYO** | | | |
| Nikkei-Dow | 10,441.50 | 10,360.92 | 9,020.3 |
| Tokyo SE | 805.87 | 800.84 | 669.01 |
| **AUSTRALIA** | | | |
| All Ord. | 735.1 | 727.8 | 673.4 |
| Metals & Mins. | 472.1 | 464.8 | 583.6 |
| **AUSTRIA** | | | |
| Credit Aktien | closed | 53.57 | 55.36 |
| **BELGIUM** | | | |
| Belgian SE | closed | 150.79 | 130.01 |
| **CANADA** | Aug 15 | Prev. | Yr ago |
| **Toronto** | | | |
| Metals & Minls | 1,989.4* | 1,991.54 | — |
| Composite | 2,332.6* | 2,337.45 | 2,412.70 |
| **Montreal** | | | |
| Portfolio | 115.38* | 115.60 | 117.66 |
| **DENMARK** | | | |
| Copenhagen SE | 196.00 | 195.66 | 168.09 |
| **FRANCE** | | | |
| CAC Gen | closed | 162.7 | 131.2 |
| Ind. Tendance | closed | 105.2 | 83.3 |
| **WEST GERMANY** | | | |
| FAZ-Aktien | 339.92 | 339.65 | 321.31 |
| Commerzbank | 985.6 | 984.4 | 953.3 |
| **HONG KONG** | | | |
| Hang Seng | 918.83 | 904.81 | 1,047.24 |
| **ITALY** | | | |
| Banca Comm. | closed | 213.16 | 197.32 |
| **NETHERLANDS** | | | |
| ANP-CBS Gen | 161.1 | 161.2 | 141.1 |
| ANP-CBS Ind | 129.0 | 129.4 | 113.6 |
| **NORWAY** | | | |
| Oslo SE | 260.17 | 262.14 | 205.79 |
| **SINGAPORE** | | | |
| Straits Times | 952.35 | 954.18 | 945.01 |
| **SOUTH AFRICA** | | | |
| Golds | 974.0 | 977.2 | 915.4 |
| Industrials | 896.3 | 899.9 | 922.2 |
| **SPAIN** | | | |
| Madrid SE | closed | 135.26 | 118.07 |
| **SWEDEN** | | | |
| J & P | 1,515.67 | 1,517.08 | 1,502.63 |
| **SWITZERLAND** | | | |
| Swiss Bank Ind | 378.3 | 376.9 | 344.4 |
| **WORLD** | Aug 14 | Prev. | Year ago |
| Capital Int'l | 182.3 | 182.2 | 174.3 |

### GOLD (per ounce)

| | August 15 | Prev |
|---|---|---|
| London | $352.00 | $354.75 |
| Frankfurt | $351.00 | $354.00 |
| Zürich | $351.25 | $353.375 |
| Paris (fixing) | closed | $347.65 |
| Luxembourg (fixing) | closed | $348.50 |
| New York (Aug.) | $354.10* | $355.00 |

* Latest available figure

### CURRENCIES

| (London) | U.S. DOLLAR Aug 15 | U.S. DOLLAR Previous | STERLING Aug 15 | STERLING Previous |
|---|---|---|---|---|
| $ | – | – | 1.32 | 1.3185 |
| DM | 2.8715 | 2.888 | 3.80 | 3.805 |
| Yen | 241.6 | 241.06 | 319.25 | 319.75 |
| FFr | 8.83 | 8.86 | 11.6575 | 11.71 |
| SwFr | 2.4065 | 2.421 | 3.1825 | 3.1925 |
| Guilder | 3.2385 | 3.2485 | 4.275 | 4.2875 |
| Lira | 1770.5 | 1774.5 | 2334.0 | 2341.5 |
| BFr | 58.155 | 58.225 | 76.7 | 76.55 |
| C$ | 1.30375 | 1.30625 | 1.721 | 1.721 |

### INTEREST RATES

| Euro-currencies (3-month offered rate) | Aug 15 | Prev |
|---|---|---|
| £ | 10½ | 10 7/16 |
| SwFr | 4 13/16 | 4 13/16 |
| DM | 5 11/16 | 5⅝ |
| FFr | 11⅝ | 11½ |
| **FT London Interbank fixing** (offered rate) | | |
| 3-month U.S.$ | 11 15/16 | 11 15/16 |
| 6-month U.S.$ | 12⅛ | 12 3/16 |
| U.S. Fed Funds | 11 7/16* | 11½ |
| U.S. 3-month CDs | 11.40* | 11.40 |
| U.S. 3-month T-bills | 10.17* | 10.28 |

### U.S BONDS

| Treasury | | August 15* Price | August 15* Yield | Prev Price | Prev Yield |
|---|---|---|---|---|---|
| 12⅝ | 1986 | 100 15/32 | 12.29 | 100 17/32 | 12.30 |
| 13⅜ | 1991 | 104 9/32 | 12.65 | 104 27/32 | 12.67 |
| 13⅛ | 1994 | 99 29/32 | 12.66 | 99 29/32 | 12.66 |
| 13¼ | 2014 | 100 9/32 | 12.48 | 100 9/32 | 12.45 |

| Corporate | Aug. 15* Price | Aug. 15* Yield | Prev Price | Prev Yield |
|---|---|---|---|---|
| AT & T | | | | |
| 10⅜ June 1990 | 89⅜ | 12.95 | 89⅜ | 12.95 |
| 3⅞ July 1990 | 71.00 | 10.60 | 71.00 | 10.60 |
| 8⅞ May 2000 | 71⅞ | 13.00 | 71⅞ | 13.00 |
| Xerox | | | | |
| 10⅞ March 1993 | 87¼ | 13.15 | 87¼ | 13.15 |
| Diamond Shamrock | | | | |
| 10⅜ May 1993 | 86⅜ | 13.25 | 86⅜ | 13.25 |
| Federated Dept Stores | | | | |
| 10⅞ May 2013 | 90.342 | 13.30 | 90.342 | 13.30 |
| Abbot Lab | | | | |
| 11.80 Feb 2013 | 89.00 | 13.30 | 89.00 | 13.30 |
| Alcoa | | | | |
| 12¼ Dec 2012 | 89.00 | 13.80 | 89.00 | 13.80 |

### FINANCIAL FUTURES

| CHICAGO | Latest | High | Low | Prev |
|---|---|---|---|---|
| **U.S. Treasury Bonds (CBT)** 8% 32nds of 100% | | | | |
| Sept | 65–05 | 65–23 | 65–04 | 65–19 |
| **U.S. Treasury Bills (IMM)** $1m points of 100% | | | | |
| Sept | 89.89 | 89.99 | 89.84 | 89.82 |
| **Certificates of Deposit (IMM)** $1m points of 100% | | | | |
| Sept | 88.53 | 88.63 | 88.52 | 88.57 |
| **LONDON** | | | | |
| **Three-month Eurodollar** $1m points of 100% | | | | |
| Sept | 88.45 | 88.51 | 88.42 | 88.43 |
| **20-year Notional Gilt** £50,000 32nds of 100% | | | | |
| Sept | 106–10 | 107–03 | 106–08 | 107–03 |

### COMMODITIES

| (London) | August 15 | Prev |
|---|---|---|
| Silver (spot fixing) | 599.55p | 597.85p |
| Copper (cash) | £1,012.50 | £1,015.50 |
| Coffee (Sept) | £2,308.50 | £2,321.00 |
| Oil (spot Arabian light) | $27.70 | $27.72 |

VONTOBEL EUROBONDINDIZES

WEIGHTED AVERAGE YIELDS

PER 7 AUGUST 1984

| | Today | INDEX Last week | % Year's High | Year's Low |
|---|---|---|---|---|
| US$ Eurobonds | 12.35 | 12.42 | 13.59 | 11.52 |
| DM (Foreign Bond Issues) | 7.78 | 7.82 | 7.90 | 7.14 |
| HLF (Bearer Notes) | 7.84 | 7.88 | 8.11 | 7.54 |
| Can$ Eurobonds | 13.50 | 13.57 | 13.96 | 12.60 |

Bank J. Vontobel & Co Ltd, Zurich • Tel: 010 411 488 7111

SYDKRAFT

SYDSVENSKA KRAFTAKTIEBOLAGET

US $15,000,000 9¼% Bonds 1986.

HAMBROS BANK LIMITED hereby gives notice that in accordance with The terms and conditions of the above loan, the redemption for 15th September 1984 has been effected by the purchase of US $2,610,000 (nominal) and the under-mentioned bonds amounting to US $390,000 (nominal) were drawn on 10th August 1984 for redemption at par.

The outstanding balance after the 15th September 1984 redemption is US $6,000,000 (nominal).

The drawn bonds may be presented to Hambros Bank Limited, 41 Bishopsgate, London EC2P 2AA or to the other Paying Agents named on the bonds.

Bonds surrendered should have attached all unmatured coupons appurtenant thereto. Coupons due 15th September 1984 should be detached and collected in the usual manner.

For payment in London, bonds will be received on any business day and must be left three clear days for examination.

Bond of US $1,000

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6 | 583 | 1127 | 1938 | 6553 | 7097 | 7981 | 8512 | 9125 | 9587 | 10301 | 13117 | 13577 | 14271 | 14595 |
| 61 | 630 | 1143 | 2028 | 6620 | 7105 | 8038 | 8553 | 9155 | 9589 | 10378 | 13138 | 13589 | 14286 | 14612 |
| 84 | 644 | 1173 | 3192 | 6633 | 7106 | 8040 | 8558 | 9158 | 9595 | 10634 | 13146 | 13613 | 14298 | 14633 |
| 135 | 710 | 1207 | 3198 | 6640 | 7124 | 8138 | 8559 | 9163 | 9598 | 10639 | 13149 | 13616 | 14303 | 14634 |
| 174 | 711 | 1208 | 3224 | 6642 | 7129 | 8158 | 8568 | 9173 | 9627 | 10681 | 13170 | 13664 | 14310 | 14640 |
| 187 | 718 | 1228 | 3709 | 6645 | 7217 | 8161 | 8578 | 9195 | 9646 | 10690 | 13185 | 13685 | 14314 | 14646 |
| 203 | 721 | 1287 | 3905 | 6677 | 7218 | 8163 | 8598 | 9225 | 9651 | 11505 | 13206 | 13706 | 14318 | 14653 |
| 214 | 728 | 1299 | 3918 | 6702 | 7236 | 8174 | 8638 | 9235 | 9662 | 11916 | 13223 | 13707 | 14336 | 14685 |
| 215 | 738 | 1322 | 3923 | 6710 | 7362 | 8179 | 8658 | 9375 | 9677 | 12060 | 13315 | 13731 | 14348 | 14713 |
| 277 | 748 | 1450 | 3949 | 6711 | 7397 | 8198 | 8667 | 9376 | 9686 | 12109 | 13329 | 13759 | 14351 | 14714 |
| 285 | 750 | 1464 | 3968 | 6754 | 7475 | 8200 | 8675 | 9389 | 9948 | 12141 | 13352 | 13780 | 14352 | 14726 |
| 316 | 752 | 1467 | 3969 | 6775 | 7479 | 8201 | 8695 | 9406 | 10065 | 12154 | 13356 | 13791 | 14354 | 14759 |
| 324 | 765 | 1468 | 3973 | 6779 | 7486 | 8231 | 8701 | 9420 | 10066 | 12169 | 13375 | 13794 | 14355 | 14761 |
| 328 | 785 | 1500 | 3984 | 6780 | 7503 | 8237 | 8706 | 9438 | 10067 | 12191 | 13384 | 13846 | 14382 | 14769 |
| 362 | 788 | 1531 | 3990 | 6796 | 7534 | 8253 | 8782 | 9452 | 10113 | 12199 | 13425 | 13947 | 14408 | 14774 |
| 363 | 797 | 1542 | 3999 | 6801 | 7550 | 8315 | 8788 | 9459 | 10115 | 12837 | 13433 | 13951 | 14445 | 14782 |
| 371 | 836 | 1546 | 4002 | 6832 | 7570 | 8334 | 8862 | 9488 | 10130 | 12839 | 13445 | 13955 | 14448 | 14792 |
| 436 | 846 | 1552 | 4039 | 6844 | 7578 | 8338 | 8881 | 9491 | 10131 | 12863 | 13458 | 14160 | 14455 | 14802 |
| 443 | 864 | 1668 | 4073 | 6857 | 7588 | 8388 | 8943 | 9495 | 10177 | 12881 | 13468 | 14201 | 14459 | 14804 |
| 448 | 869 | 1690 | 4088 | 6891 | 7803 | 8400 | 8944 | 9514 | 10186 | 12891 | 13480 | 14203 | 14477 | 14824 |
| 469 | 952 | 1703 | 4093 | 6903 | 7810 | 8413 | 8973 | 9520 | 10189 | 12913 | 13540 | 14204 | 14485 | 14842 |
| 470 | 1019 | 1737 | 4106 | 6919 | 7918 | 8430 | 8978 | 9523 | 10195 | 12917 | 13555 | 14208 | 14501 | 14857 |
| 483 | 1061 | 1742 | 4117 | 6963 | 7922 | 8435 | 9000 | 9533 | 10235 | 13037 | 13557 | 14235 | 14517 | 14862 |
| 499 | 1068 | 1751 | 4127 | 6985 | 7945 | 8450 | 9068 | 9561 | 10256 | 13052 | 13558 | 14246 | 14539 | 14911 |
| 501 | 1087 | 1765 | 6506 | 7064 | 7960 | 8451 | 9108 | 9569 | 10276 | 13066 | 13563 | 14254 | 14548 | 14932 |
| 537 | 1114 | 1787 | 6541 | 7078 | 7962 | 8504 | 9122 | 9582 | 10294 | 13085 | 13564 | 14269 | 14594 | 14997 |

HAMBROS BANK LIMITED

16th August 1984

# Return to profit for Brazilian steelmaker

**By Andrew Whitley in Rio de Janeiro**

MANNESMANN SA, the 75 per cent owned subsidiary of the major West German engineering concern and Brazil's leading producer of steel pipes, has reported a strong return to profit in the first half, after substantial losses last year.

On the basis of the return to profitability, Mannesmann SA, which had a turnover equivalent to over $150m in the first six months, is to seek a doubling of its capital, to cruzeiros 260bn ($130m at the current exchange rate).

First half net profits were Cr 67.5bn compared with a loss of Cr 13.6bn in the same period last year.

The company ascribed the turnround to a combination of higher sales, better productivity and reduced financial costs – a heavy burden in 1983.

Net revenue between January and June was Cr 207bn, a 464 per cent rise in nominal terms and a real increase of over 100 per cent, after allowing for inflation over the 12 months. Exports, up by 37.5 per cent to $80m, made a significant contribution to the results.

Domestic sales jumped by nearly a third during the period despite the continuing weak market for capital goods.

Herr Peter Schmithals, president, said the planned capital increase would be used to finance the company's investment programme.

This calls for $130m to be spent by 1988 on the expansion of the tubes production line and on quality improvements.

# U.S. retail store groups report mixed returns

**BY DAVID BLACKWELL IN NEW YORK**

FEDERATED Department Stores, the U.S. department store chain which owns Bloomingdale's in New York, reported a 13.7 per cent decline in second-quarter net earnings. They fell from $40.6m or 83 cents a share to $35m or 72 cents a share.

First-half net earnings fell by 15.3 per cent from $83.6m or $1.72 a share to $70.8m or $1.46.

Revenues, however, increased from $1.9bn to $2.09bn in the quarter and from $3.74bn to $4.14bn in the half year.

**May Department Stores**, based at St Louis, announced record net earnings of $37m or $1.29 a share for the second quarter. This took first-half earnings to $64.5m or 2.24 a share, also a record.

The comparable figures last year were earnings of $31m or $1.07 a share in the quarter, and $51.2m or $1.77 a share in the half.

Revenues rose by 13.7 per cent in the quarter from $907.5m to $1.03bn and by 14.1 per cent from $1.75bn to $1.99bn in the half.

**Associated Dry Goods**, a major U.S. stores group, earned $18.4m or 92 cents a share in the second quarter, against $17.4m or 87 cents last time, on revenues of $928.6m, against 832.8m. For the first half earnings were $23.5m or $1.18 a share, against $20.8m or $1.09 a share on revenues of $1.75bn against $1.53bn.

**Anderson Clayton**, the diversified U.S. foods group, almost doubled both fourth-quarter and full-year net profit. For the quarter, earnings rose from $3.89m or 31 cents a share to $7.18m or 59 cents a share, and for the full year from $21.66m or $1.75 a share to $38.5m or $3.11.

Revenues for the quarter increased from $331m to $410.6m, and from $1.42bn to $1.55bn for the year.

# Houston Industries improves

**By Our New York Staff**

HOUSTON INDUSTRIES, the Texas utility and parent company of Houston Lighting and Power, reported fourth-quarter earnings of $115m. Earnings per share rose by 17 cents to $1.22.

The group attributed the quarter's increase to increased energy sales.

For the year, earnings were $352m, up by 216 per cent on the previous year, when the group took an after tax write-off of $168m on its Allens Creek nuclear project. Earnings per share rose by $2.46 to $3.82. Excluding the write-off, earnings per share last time would have been $3.42.

# New chief for paper group

**By William Hall in New York**

MR JOHN A. GEORGES has been appointed chief executive of International Paper, the world's largest paper company, and is expected to take over as chairman when Dr Edwin Gee retires next April.

Mr Georges, 53, is president and chief operating officer. He spent the bulk of his career at Du Pont, the U.S. chemicals group, until he joined International Paper in 1979, a few months after Dr Gee was recruited from Du Pont.

# Higher income for Sea Containers

**BY DAVID BLACKWELL IN NEW YORK**

SEA CONTAINERS, the Bermuda-based container leasing and shipping group which bought Sealink UK for £66m ($87m) last month, reported both a strong second quarter and first half.

Earnings for the quarter reached $11.6m or 82 cents a share on revenues of $46m. This compares with $8.1m or 46 cents a share last time, on revenues of $34.5m.

The latest result includes a $287,000 gain from the sale of container assets, compared with a $314,000 loss from a similar sale last time.

First-half earnings rose from $17.6m or $1.08 a share to $28.2m or $2.14. Revenues increased from $68.4m to $96.4m.

A gain of $6.67m from the sale of container assets in the latest half compares with a loss of $331,000 from a similar sale last time.

Mr James B. Sherwood, chairman, said an earlier forecast of group profits this year reaching between $50m and $55m appeared possible from container asset leasing alone. It could be exceeded with the help of Sealink's earnings, which would be included from July 27.

# Lufthansa buys major stake in Penta Hotels

**BY ARTHUR SANDLES IN LONDON**

LUFTHANSA, the West German airline, has bought much of British Airway's holding in Penta Hotels, thus becoming the majority shareholder in the group.

The move, which gives Lufthansa a 62.27 per cent holding in Penta, is in line with BA's streamlining campaign in the run-up to its sale to the private sector. BA has sold Lufthansa 23.16 per cent of Penta stock for an undisclosed sum. Trade reports suggest a figure between £2m and £3m ($2.6m-$3.9m).

Penta Hotels is based in Amsterdam and operates via management or franchise 16 hotels worldwide with a 17th under construction. When first conceived in the 1960s the name Penta was derived from its origin as a co-operative venture of five European airlines. The plan was to build hotels to rival TWA's Hilton chain and what was then Pan American's InterContinental Hotels (now owned by Grand Metropolitan).

The other airlines have gradually dropped out but Swissair still has 16.88 per cent and BA retains an 8.98 per cent stake.

# Australian property group lifts earnings

SYDNEY – Lend Lease Corporation, the Australian property group, has reported a net profit for the year ended June 30 of A$41.5m (U.S.$35m), compared with A$30.6m the year before.

Lend Lease also announced a scrip issue to shareholders on a one-for-10 basis.

In addition, the annual dividend has been boosted to 22.5 cents a share from 17.5 cents. Group revenues rose by 3 per cent to A$533m from A$516m.

The directors have also proposed an employee share plan to issue 2.5 per cent of the group's capital to staff over five years. Lend Lease employees already own 14 per cent of the company directly and indirectly.

The directors said all divisions of the company contributed to the profit increase and they expect another increase in profit in 1984-85.

The group expects to maintain its 22.5 cent annual dividend on the enlarged capital – up to 95.43m shares from 86.76m.

Agencies.

# Investors oppose Disney bid

**By Paul Taylor in New York**

MR IRWIN JACOBS, the Minneapolis-based investor, claimed late yesterday that his shareholder group has enough support to force Walt Disney Productions to call a special shareholders meeting to vote on Disney's planned $310m acquisition of Gibson Greetings.

Mr Jacobs, whose investor group is Disney's largest single shareholder with a 6.3 per cent stake, planned to issue the request yesterday.

Under California law a company must hold a special shareholder meeting if requested by shareholders representing at least 10 per cent of stock.

The Jacobs-led group maintains that the Gibson deal – set up when Disney was fighting off the unwelcome attentions of Mr Saul Steinberg – is a waste of Disney resources.

Earlier Mr Jacobs said a court hearing has been set for next Monday on his bid to block the deal.

# Marine breaks off Equimark talks

**By Our New York Staff**

MARINE MIDLAND, the big U.S. bank majority-owned by the Hongkong and Shanghai Banking Corporation, confirmed yesterday that it has discussed taking a stake of up to 25 per cent in Equimark, the troubled Pittsburgh bank, but said that talks had broken off.

Equimark, which earlier this week reported a $29.5m second quarter loss ranks as one of the most troubled banks in the U.S.

GULF BANK HIT BY SOUK LINK

# BIB suffers $9m loss

**BY MARY FRINGS IN BAHRAIN**

THE DELAYED 1983 report of Bahrain International Bank (BIB) shows a loss of just over $9m compared with a profit of $24.9m in 1982, the year of its establishment as a Gulf-owned public shareholding company with paid-up capital of $180m.

The bank has been marking time since its inception, partly as a result of staffing problems – the first general manager resigned after six months and another senior executive left earlier this year – and partly because of its involvement in Kuwait's Souk al Manakh, the unofficial stock market which collapsed in autumn 1982. Its loan loss provision of $22m is the outcome of this involvement.

Part of BIB's capital was invested in the stockmarket before management was in place and was translated later into a loan to Kuwait and Bahrain Development Company (KBDC), a Kuwaiti limited liability company owned by certain of BIB's directors. About $31m of this loan was outstanding at the end of 1982.

During 1983 the bank placed the loan on a cash basis and no income on it has been recognised in the year. The year-end balance in BIB's books of $23m reflects all payments received from KBDC.

The 1983 year-end accounts of KBDC show a loan due to BIB of $26.5m.

During 1983, KBDC received a loan from a Kuwaiti bank, the balance of which was $37.5m at year-end. BIB purchased a $37m certificate of deposit from the Kuwaiti bank, which it then pledged as security for this Kuwaiti loan.

The expected proceeds from KBDC's liquidation, which will come from the sale of shares held by the company and from settlement of amounts due from debtors who have provided KBDC with post-dated cheques, will be insufficient to repay the balance on BIB's loan, and to indemnify the bank against the cost of the pledge arrangement with the Kuwaiti bank. BIB's loan loss provision of $22m, together with a $1.8m payment from KBDC on April 1 this year, has wiped the loan off the books.

BIB has emerged from this trauma with its capital intact and total assets of $268m, compared with $206m at the end of 1982. But the directors' report says "It will be some time before a new banking entity is able to develop a base of core deposits."

# Modest increase in profits for Bahrain offshore banks

**BY OUR BAHRAIN CORRESPONDENT**

INTERIM RESULTS from Bahrain's major offshore banking units (OBUs) show modest profits growth, despite what many of them describe as difficult operating conditions.

**Gulf International Bank** (GIB) reported net earnings of $31.7m compared with $28.1m for the first half of 1983 and $57.5m at year-end. Mr Sultan Al-Suwaydi, who was appointed general manager earlier this year in succession to Dr Khalid Al-Fayez, said that the results reflected a higher contribution from the merchant banking group and a reduced rate of growth in operating costs.

However, assets (excluding contra items) contracted by almost 7 per cent from the December figure of $7.437bn to $6.92bn, while loans were reduced from $4.038bn to $3.972bn. GIB gives no details of loan loss provisions.

**Arab Banking Corporation** (ABC), the biggest of the OBUs headquartered in Bahrain, is expected to release its figures this week, incorporating its latest acquisition, Banco Atlantico.

Meanwhile, **Arlabank International** (the parent company of Arab Latin American Bank), which is chaired by Mr Abdulla Saudi, ABC's president and chief executive, looks set for a marked improvement on its 1983 performance. Compared with last year's net earnings of $17.3m, Arlabank reported profits of $13.687m for the first half of 1984, 69.5 per cent up on the result for the comparable period of 1983.

The two leading domestic banks, which both have OBUs and overseas branches, also reported slightly higher consolidated earnings. **National Bank of Bahrain** (NBB) made $16.5m compared with $16.3m in the comparable six-month period, and **Bank of Bahrain and Kuwait** (BBK) made $19.7m against $19.019m.

NBB's assets have risen from $1.492bn to $1.728bn since December, while loans have increased from $586m to $611m. The bank said it had held down lending rates in order not to overburden an already depressed market, and cited this as one of the main reasons for the fact that income growth had not kept pace with the increase in assets.

**Kuwait Asia Bank**, which was established in 1981, has continued to grow strongly. Its mid-year profit of $4.5m is 114 per cent up on the first half of 1983. Assets increased by 42 per cent to $546.6m and loans by 24 per cent to $182.2m over the 12-month period.

# Lugano-based bank sold to Arab group

**By Terry Povey in London**

BANK ALMASHREK, the Beirut-based bank owned by the governments of Kuwait, Lebanon and Qatar with a substantial minority holding by Morgan Guaranty Trust of New York, has bought Banca di Partecipazioni ed Investmenti (BPI) of Lugano, Switzerland.

The Lebanese bank purchased BPI from a group of Swiss shareholders for an undisclosed sum. BPI is one of the smaller Swiss banks with a paid up capital of SwFr 5m. However, as part of the purchase arrangements Bank AlMashrek has raised the capital to SwFr 20m.

Mr Bruce Lightman, who has been appointed as general manager of BPI by the new board said yesterday that the main activities of the Swiss bank were concerned with fund management for private clients.

# Acquisitions lift Bibby to £8.15m midterm

PRE-TAX profits of J. Bibby and Sons, industrial and agricultural group, advanced by 12.6 per cent in the first six months of 1984, and the directors are confident of achieving a good performance for the year as a whole.

The surplus amounted to £8.15m for the interim period, compared with £7.24m out of a full-term figure of £18.46m.

As a result of the sale of the edible oils division last December, sales for the 26 weeks were lower at £126.33m (£136.19m).

On capital increased by last May's one-for-two scrip issue, earnings per 50p share were 5.85p, against 5.66p, and the interim dividend is effectively lifted to 1.7p (1.49p) net—last year's adjusted final payment was 2.4p.

Sales were split between the industrial and the agricultural sector at £41.93m (£58.4m) and £84.41m (£77.79m) respectively, while trading profits of £8.7m (£7.65m) were split as to £5.07m (£4.4m) and £3.63m (£3.25m) for the same.

The 1984 figures within the industrial division reflect the inclusion of the profits of J. and J. Makin Paper Mills, paper manufacturing and converting business, acquired in May, and those of the DeLuca Valve and Instrument Company, a small business based in North Carolina, U.S., purchased in February last.

Sir Leslie Young, chairman, says that all the industrial group activities showed growth in trading profit, with a particularly strong improvement in the industrial services division, which was helped by the rapid economic recovery in the U.S. The paper and converted products division also benefited to a small extent from the Makin acquisition which is being successfully integrated.

Sir Leslie says that the agricultural sector, which had the benefit of a full six months' results from the animal feed business of J. Derby and Sons and Parker Animal Feeds, purchased last December, showed useful profit growth overall.

The feeds and seeds activity, he says, again produced satisfactory results, but the farm products division had a difficult turkey market to contend with, "and the improvement in pig prices was not sufficient to redress the balance."

The chairman points out that the introductio nof dairy quotas as part of the revision of the EEC's Common Agricultural Policy, will result in a reduced market for dairy feed. However, he feels that the group's feed operation is well placed to "minimise the effects of this revision."

Sir Leslie states, however, that all other divisions of the group should produce growth this year. The company, he says, is well placed to take full advantage of opportunities for further organic growth. And the director's policy of further expansion by selective acquisition continues.

Pre-tax profits for the six months included associates share of £135,000 (£197,000) but were struck after interest payable of £684,000 (£610,000).

Tax charge was £2.85m, compared with £2.17m and after minority interests of £54,000 (£38,000) and extraordinary debits of £2,000 (£182,000), the attributable balance came through at £5.24m against £4.85m previously.

On a current cost basis pretax profits were reduced to £7.16m (£4.82m) and earnings per share to 4.74p (2.91p).

See Lex

Hugh Routledge

Sir Leslie Young, chairman of J. Bibby . . . confident of a good performance for the year.

# BSR to build on £9m profit at midway

THE FIRST half of 1984 saw record sales and a 42 per cent improvement in taxable profits at BSR International, manufacturer and distributor of electronic components and equipment.

At the annual meeting in April, Mr Bill Wyllie, the chairman, told shareholders that there would be strong growth, particularly in the second half of the current year. He now expects that full year earnings will comfortably exceed those earned in 1983.

For the six months to June 30 1984, the company turned in a taxable result of £8.8m, up from £6.2m. At the last year end the figure was £20.9m, a turnround from the comparable £17.38m loss.

The interim dividend is up by 10 per cent to 0.385p net per 10p ordinary share. Last time the total amounted to 1.4p.

The improvement came out of sales which rose from £121.1m to £152.3m, with only the audio division showing a decline, from £21.7m to £7.8m. This followed the cessation of the manufacture and distribution of certain record players and related products in the UK and North America.

Strong growth in electronics lifted turnover in this division from £69.8m to £110.6m, or some 73 per cent of total sales.

Mr Bill Wyllie chairman of BSR

Demand for these products continues to grow, and continuing expansion of manufacturing facilities, especially in the Far East, is needed to keep pace.

Spending on research and development at £3.1m was 41 per cent up on the previous year. In line with established policy, this expenditure has been written off as incurred.

Profit at the operating level rose from £8.6m to £11.1m, from which net interest charges accounted for a roughly similar £2.3m (£2.4m).

By far the largest share of the profit came from the electronic division, which added £10.9m, up from £8.6m. The audio division loss increased from £0.8m to £1.2m, but sales and profits from the industrial and houseware divisions continued to improve.

The group paid no tax in the UK during the period, and the overseas tax charge fell by £1m to £1.1m. After minorities took £0.1m (added the same), attributable earnings before extraordinary charges came out at £7.6m (£4.2m).

Extraordinary charges amounted to £2.3m against £0.2m, and resulted from the audio closures in North America. In cash terms, however, the net impact of these closures is expected to be positive, states the chairman.

Contracts have already been entered into in respect of the sale of three such properties which should yield around £5.6m

See Lex

Eric Short on disappointing results from General Accident

# Second quarter recovery not enough

General Accident Fire and Life Assurance Corporation, Britain's largest motor insurer, yesterday reported a pre-tax loss of £700,000, against a £35.9m profit, for the first six months of this year, a result that slightly disappointed the market.

It had been expected the recovery in the second quarter, which produced a pre-tax profit of £15.5m, to have been higher and to more than cover the heavy losses of hte first three monthes—a period that was hit by the severe weather of the past winter.

The interim dividend is being held at 8p per share, even though it is completely uncovered by earnings. A favourable tax credit enabled the group to record a small net profit of £900,000 (£32.8m) for the half year, with an earnings per share value of 0.5p (19.5p).

The worldwide premium income of GA continued to expand over the period rising by 9.4 per cent from £699m to £764m, despite a dramatic drop in premium income on the important UK motor account. The underlying growth adjusting for exchange rates was 6.1 per cent.

The group also recorded a 13.2 per cent rise in investment income from £101.9m to £115.3m, with an underlying growth rate of 7.5 per cent after adjusting for currency fluctuations.

General Accident considers this growth satisfactory considering there was a net cash outflow over the period. The solvency margin fell six percentage points over the half-year to 75 per cent, but this is still a comfortable margin.

However, this investment income growth was insufficient to cover the 75 per cent jump in underwriting losses over the half-year from £67.4m to £118.1m. Although long-term insurance profits climbed from £2.2m to £2.9m, these failed to bridge the gap, leaving a small pre-tax loss.

The disaster area for GA was in its U.S. operations. Premium income in the half-year rose nearly 10 per cent from $389m to $427m, but underwriting losses in the second quarter mushroomed from £12.5m to £30.5m—far worse than the market anticipated.

When added to the first quarter deficit, it meant that losses in the first six months more than doubled to £61m (£26.3m).

GA has been hit in the U.S. by the deterioration in commercial business, where the adverse claims experience seen in the first quarter continued into the second three months. Experience on personal lines was less severe with the auto account remaining static and home-owners' business deteriorating somewhat despite weather losses remaining insignificant for GA.

GA has been expanding into commercial business in the U.S. in recent years and has thus been hit hard. The market is making significant rate increases for commercial business, but the effects will not be seen until 1985 at the earliest.

This adverse claims experience resulted in the U.S. claims ratio rocketing from 78 per cent to 88.76 per cent over the half year. Although the expense ratio for the period was reduced slightly from 31.27 per cent to 30.61 per cent, reflecting the group's rationalisation efforts, the operating ratio for the half year climbed from 109.27 per cent to 119.37 per cent.

In contrast, GA's UK operations showed a welcome and completely unexpected improvement, led by the better performance of the major motor account. The overall underwriting deficit for the second quarter was only £1.8m against £10.4m last year and this almost made up for the poor first quarter results. Underwriting losses for the half-year yere only £3.2m higher at £32.9m.

| | Six months (£m) 1984 | (£m) 1983 |
|---|---|---|
| Premium income | 764.4 | 699.0 |
| Investment income | 115.3 | 101.9 |
| Underwriting loss | 118.1 | 67.4 |
| Pre tax loss | 0.7 | †35.9 |
| Attributable profit | 0.9 | 32.8 |

† Profit

The improvement seen in the first quarter in the motor account, continued into the second quarter, with the effects of last year's substantial rate increases coming through. The account showed a £2m underwriting profit at the half-year stage against a £11.4 loss last year.

The number of motor claims has now stabilised after last year's rise, with a slight fall in the second quarter

However, this turnround in underwriting has been achieved at the expense of market share. Premium income on the motor account was 9¼ per cent down on the half-year, representing a fall of at least 14 per cent in real terms. The company claims that it was not worried a lot by the business lost and the portfolio was now more balanced.

Premium growth on the other UK accounts was a satisfactory 7¼ per cent on average, leaving overall premium income in the UK virtually unchanged over the half-year at £255.7m

However, underwriting losses deepened on the other UK accounts, with the householder account being hit by rising numbers of subsidence claims—up 30 per cent in the first half. This account, hit also by the severe winter weather, saw underwriting losses climb over the half-year from £6.1m to £9.7m. The company warns that this account will be hit even arder by subsidence claims in the second half of the year.

# McKay Secs lifts profit to £2.33m

McKay Securities, property investment and development concern, achieved higher taxable profits of £2.33m, against £1.86m, in the year to end-March 1984.

Gross rents and service charges receivable advanced from £3.41m to £3.99m, and the taxable result included an increased contribution of £87,846 (£48,710) from related companies.

The directors are recommending a higher final dividend of 2.3p, making a total of 4.2p (3.4p), and a one-for-two scrip issues is proposed. Earnings per 20p share moved ahead by 33 per cent to 9.2p (6.9p).

An external valuation of McKay's UK investment properties was carried out at the year end showing a £2.25m surplus, which has been credited to capital reserves.

## Fleming Fledgeling

Net asset value per ordinary share rose from 113.5p to 118.6p for the six months to June 30, 1984 at Fleming Fledgeling Investment Trust.

The 1p interim dividend is unchanged from last time, when the total payout was 2.25p. Earnings per share for the period are given at 0.82p (0.74p).

Investment income rose from £146,389 to £195,24, deposit interest added £2,489 (£25,871)

# Star Computer outlook confident

LOSSES OF £200,000 were incurred at Star Computer Group, seller of computer equipment and software, in the second six months of 1983-84 leaving a full year taxable profit of £120,000 compared with £1.07m.

Despite this setback, however, the directors are confident of a substantial profits recovery. They state that a record order book has been brought forward to the current year and the development of new activities over the past 12 months, while costly in the short term, has enhanced the company's medium and longer term growth.

The losses in the second half were largely due to a revenue shortfall in the final quarter of the year, caused both by severe shortages of product from suppliers and by a slower than anticipated sales build up in several new areas of activity.

The directors have previously stated that they believed these problems to be temporary. The company's subsequent trading experience has confirmed this view.

Sales in several of the new areas of activity are building up strongly.

Turnover for the year to April 30 1984 amounted to £7.54m compared with £6.14m.

Earnings per share, before extraordinary debits of £139,000 (discontinued joint venture and Roachwood disposal), slumped from 16.2p to 3.4p. The single final dividend is being held at

There were tax credits of £95,000 (charge £180,000) and minorities this time of £1,000.

The directors point out that traditionally a disproportionate amount of revenue arises in the final few months of Star's financial year.

As the figures for the year under review have shown this can cause substantial distortions in the reported profits. The directors there fore intend to alter the financial year end to June 30.

# Pru South Africa surges

Prudential Assurance Company of South Africa, the 65 per cent owned subsidiary of the UK group, has gained substantially from the acquisition of existing pension funds in the first six months of 1984.

Total life premium was R81.8m (£40m) compared with R56.8m last time and R113.9m for the whole of 1983.

Mr Dorian Wharton-Hood, managing director, says that the advance consisted largely of transfers to the Pru of the assets and contributions of existing pension funds.

He adds that this trend is expected to continue during the second half and that the company will achieve a record increase in premium income.

A first half transfer of R1.95m has been made to profits from the life funds, against R1.8m. Investment income rose from R0.42m to R0.47m while short term operations generated a profit of R44,000 (R48,000). The short term profit totalled R96m for the whole of 1983 while investment income amounted to R1.07m.

The interim dividend has been increased to 6.5 cents, compared with 5.5 cents last time when the total payout was 13.5 cents.

# Blackwood Canada profit

Blackwood Hodge's Canadian subsidiary staged a C$3.53m turnround to profits of C$502,000 (£291,000) in the first six months of 1984.

Turnover for the period amounted to $47.56m, against $39.49m, and profits before interest charges emerged at $3.16m, compared with $331,000. There was no tax (credit $1.46m), after which earnings per share are stated as 21 cents (loss 64 cents).

# SEET exports increase

Exports at Scottish, English and European Textiles accounted for 74.4 per cent, compared with 69.5 per cent previously, of group turnover in the 12 months to end-April 1984.

Total group turnover for the year expanded from £10.53m to £14.44m and profits at the taxable level advanced by £528,000 to £1.34m. Earnings per 20p share rose by 5.1p to 19.12p and the final dividend is being lifted from 2.5p to 2.7p, making a total payout of 3.8p (3.5p).

The directors say that the group's order book is satisfactory and the balance sheet remains strong. After tax of £517,410 (£210,533), minorities of £55,748 (£38,695) and extraordinary debits of £37,313 (£43,381), the amount available for distribution was £729,895 (£519,331).

The retained balance, after ordinary dividend payments, emerged at £577,411 compared with £384,529.

At the interim stage profits before tax stood at £589,000 (£320,000) on turnover of £6.96m (£4.98m).

## Invest. of Guernsey

Net asset value of the Investment Trust of Guernsey fell slightly to 142p during the first six months of 1984, as against 144p at the end of 1983. The board says this was in spite of increased liquidity which remains intact.

Pre-tax revenue showed an improvement from £400,000 to £430,000 in the period and this is expected to continue during the second half. After tax of £103,000 (£95,000) earnings per 50p share were unchanged at 2.4p.

The interim dividend is higher at 2.25p (2.1p) gross and the board expects to at least maintain the final at last year's rate of 3.9p. Shareholders are to be offered the right to elect to receive new ordinary shares in lieu of the net cash interim dividend.

Dividends and interest received increased from £407,000 to £431,000 and commission received came to £17,000 (£13,000).

## Stroud Riley

Mr Roy Stroud, chairman of Stroud Riley Drummond, says in his annual statement that in general the textile climate has improved but the usual difficulties "will always face us." Never-the less, the group will continue to be a force in the market place and adapt to the ever changing situations.

It is difficult to take into account factors that are outside our control such as the recent *substantial increase in the price* of raw materials and the ever fluctuating exchange rate which do affect operating margins. However, "we are confident that the group's progression over the last four years will continue," says the chairman.

## Triplex

Mr Lewis Robertson, chairman of Triplex (formerly Triplex Foundries Group, told shareholders at the annual meeting that trading in the first half year, as expected, had been quieter. The first four months were slightly ahead of budget.

Provided that interest rates continued to moderate the second half would be stronger, as was usual for the company. He still expected the full year to show continuing recovery.

## Bluemel

Bluemel Bros reports that of the 14,553,420 shares it offered by way of rights, about 56.6 per cent were taken up. Mandarin Resources Crp took up its rights in full and now holds a total of 5,075,200 shares (21.46 per cent).

Of the 11,430,220 shares underwritten 44.73 per cent were taken up. As a result of this, Guinness Mahon & Co will hold approximately 1,685,860 shares (7.13 per cent).

# Public Works Loan Board rates

Effective August 14

| Years | Quota loans repaid by EIP† | A‡ | at maturity§ | Non-quota loans A* repaid by EIP† | A‡ | at maturity§ |
|---|---|---|---|---|---|---|
| 1 | — | — | 10¾ | — | — | 11¼ |
| Over 1, up to 2 | 11 | 11 | 11¼ | 12 | 12 | 12¼ |
| Over 2, up to 3 | 11¼ | 11¼ | 11⅜ | 12¼ | 12¼ | 12⅜ |
| Over 3, up to 4 | 11⅜ | 11½ | 11½ | 12⅜ | 12½ | 12½ |
| Over 4, up to 5 | 11½ | 11⅝ | 11⅞ | 12½ | 12⅝ | 12⅝ |
| Over 5, up to 6 | 11⅝ | 11¾ | 11¾ | 12⅝ | 12¾ | 12¾ |
| Over 6, up to 7 | 11¾ | 11¾ | 12 | 12¾ | 12¾ | 12¾ |
| Over 7, up to 8 | 11⅞ | 11⅞ | 12 | 12⅞ | 12⅞ | 12⅞ |
| Over 8, up to 9 | 11⅞ | 11⅞ | 11⅞ | 12⅞ | 12⅞ | 12⅞ |
| Over 9, up to 10 | 11⅞ | 12 | 11⅞ | 12⅞ | 12⅞ | 12⅞ |
| Over 10, up to 15 | 12 | 11⅞ | 11¾ | 12¾ | 12¾ | 11⅞ |
| Over 15, up to 25 | 11⅝ | 11 | 10⅞ | 11⅞ | 11½ | 11⅝ |
| Over 25 | 11 | 10¾ | 10⅝ | 11⅝ | 11¼ | 11¼ |

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

# BIDS AND DEALS

## Three-way split to cut Anglo-Scottish share value discount

BY ALEXANDER NICOLL

**Anglo-Scottish Investment Trust** yesterday announced plans to reduce the discount of its market value to net asset value by dividing itself into two specialised investment trusts and a unit trust.

Anglo-Scottish, managed by CS Investments, had been considering unitisation of all its assets but decided against this course because it would entail the forced sale of most of its unquoted investments.

In a unitisation, shares in an investment trust are exchanged for redeemable units whose value directly reflects the market value of the underlying investments. Unquoted companies may only represent 5 per cent of a unit trust's portfolio.

The immediate market response to the Anglo-Scottish proposals was to boost its share price by 12p to 146p.

Its most recently published net asset value was 155.3p per share, and it now has total net assets of about £47.5m.

The largest individual shareholder in the Trust is Aspinall Holdings, the USM-quoted casino gambling company, which holds nearly 15 per cent.

Under the proposals to be put to shareholders, £17.5m of present assets will go into a new investment trust specialising in unquoted companies. Most prominent among these investments are shares in Telerate, the U.S. business information service. Although it is now a public company, the "lettered" shares held by Anglo-Scottish are subject to strict limits on redemption until April 1985.

A further £10m of assets will be channelled into an investment trust concentrating on emerging growth companies in the U.S.

Mr Eric Crawford, manager of the trut and a director, said these two trusts could be expected to have a reduced discount to net asset value because of demand for specialised vehicles.

The remaining £20m, invested in a broad range of international equities, would be unitised under the new proposals, providing shareholders with a potential return near asset value.

Initial City reaction was that the proposals were likely to go through — given shareholders' likely willingness to realise gains from the partial unitisation — unless an outside bidder targeted the existing trust as a means for making a disguised rights issue, as has been done several times recently. The unquoted investments would discourage such a move.

Anglo-Scottish was the subject of controversy last year when it switched management from Gartmore Investment Management before consulting shareholders. Mr Crawford, formerly chairman of Anglo-Scottish, moved from Gartmore and jointly founded CS Investments.

The Save and Prosper management group was among shareholders who complained at the management switch, and subsequently reduced its holding. The switch was approved at last November's AGM.

## S & N boosts stake in Moray Firth to 29.34%

BY CHARLES BATCHELOR

**Scottish & Newcastle Breweries** yesterday increased its holding in **Moray Firth Maltings** to 29.34 per cent from 4.23 per cent in a move which came as a surprise to the Moray board.

Moray, an Inverness-based producer of malt and agricultural products merchant, came to the USM as recently as last December with a placing of 7 per cent of its shares at 195p each. Its share price rose 10p yesterday to 235p to value the entire group at £14.43m. S&N's shares fell 1p to 116p.

The Newcastle-based brewer said the share purchases were partly an extension of its business relations with Moray and partly an investment in a successful company closely related to the brewing and whisky industries. It declined to comment further on its intentions towards Moray.

Mr Edward Davies, chairman of Moray, said: "I have no knowledge of any intention of theirs to mount a full bid. It has been rather spun on us. Their increased holding came as a surprise to us."

S&N built up a 4.23 per cent stake in Moray over a number of months, bought a further 10.73 per cent through the market on August 8 and yesterday added a further 14.38 per cent stake acquired by private treaty from a single group of shareholders.

The sellers are believed to include Mr Michael Crowther, one of Moray's joint founders and a former director of the company.

Moray's directors meet S&N today for a routine working meeting, though the increased shareholding may also be discussed. The next full Moray board meeting is planned for tomorrow.

In March, Moray announced pre-tax profits of £1.97m for 1983, an increase of 33 per cent over the previous year, and higher than the £1.9m forecast, despite the depressed home market for malt whiskies. Turnover rose to £31.8m (£26.2m).

S&N now holds 1.8m Moray shares. Yesterday's purchase was financed by the issue of £2.65m nominal worth of newly-constituted unsecured loan stock, equivalent to about 300p per ordinary Moray share.

### BIDS AND DEALS IN BRIEF

**Applied Computer Techniques** has entered into an agreement with **Swwire Engineering**, a company based in Hong Kong, to acquire 50 per cent of Swires shareholdings in its wholly owned subsidiary, Swire Systems, also Hong Kong based.

Completion of the acquisition is due to take place on August 31, and the consideration is HK$4.03m (£391,000), which is intended to be satisfied by way of a vendor placing of 184,434 ordinary in ACT.

Swire Systems is engaged in the business of distributing microcomputers.

* * *

**Nationawide Leisure**, a Hemel Hempstead-based park home, camping equipment, retailing, tour operating and travel agency company, has completed the acquisition of a further mobile home park.

Pavenham Park, near Bedford, has been acquired by Nationwide's subsidiary, Modern Mobile Homes, for £275,000 cash from Southern Caravan Group.

* * *

On August 3 6,955 shares in **General Electric Company** were sold at 200p, on behalf of a fund under the discretionary management of **Warburg Investment Management** (WIM). The deemed association under the City Code between GEC and WIM arose from a former financial advisory relationship between GEC and S. G. Warburg and Co. the parent company of WIM. There is at present no such financial advisory relationship.

* * *

Mr W. T. Bateman has increased his holding in C. H. Bailey by a further 86,000 "B" ordinary shares.

## Brooke Bond Australian purchase

**Bushells Holdings**, an Australian associate of **Brooke Bond Group**, has agreed to purchase, from **Castlemaine Tooheys** of Australia, the tea and coffee company **Robert Timms**.

The consideration for the purchase is approximately A$6m (£3.82m). Brooke Bond became a 75 per cent shareholder in Bushells in 1979, but in March of this year reduced its holding to 48.9 per cent by means of a public issue of new shares.

The acquisition gives Bushells a larger share of the Australian tea market through the Tetley brand, and a leading position in the coffee market under the Timms label.

The full benefits of theacquisition are unlikely to be felt in the current year, but Bushells believes that it is a logical expansion.

● Brooke Bond also considered the formal offer document from Tate & Lyle, and remains convinced that its shareholders should not accept this "wholly inadequate bid."

Sir John Cuckney, the chairman of Brooke Bond, will be writing to shareholders with a formal document giving reasons for rejection, and urging them once again to take no action.

After third party bid speculatioon, denied by the company, Brooke Bond closed 4p down yesterday at 113p.

## Midland/Schroder Darling loan deal

**Schroder Darling** and **Midland International Australia**, a wholly-owned subsidiary of Midland Bank, have reached agreement on the acquisition by Midland of Schroder's loan portfolio.

Under the agreement, Midland will acquire Schroder's client book of medium-term loans which totals approximately A$175m (£113m)

Midland will retain the key Schroder executives who are currently responsible for managing the portfolio, including Mr Gil Rintoul.

For both companies, the transfer represents a significant strategic step in restructuring their operations to take account of recent changes in financial markets.

Mr Brian Gatfield, Schroder Darling chief executive, said the agreement allowed Schroder's to make room on its balance sheet for securities trading, and to accommodate shorter-term requirements for clients before arranging debt and equity raisings.

# MINING NEWS

## Share sales return Northgate to profit in the first half

BY KENNETH MARSTON, MINING EDITOR

DESPITE RECORD gold production at its Chibougamau area mines, heavy depreciation, amortisation and interest charges continue to swallow up operating profits of Canada's Northgate Exploration.

For the second quarter of this year the group is able to report net income of C$10.1m (£5.87m). After deducting the loss for the previous three months this leaves a net profit for the first half of the year of C$9.35m, or 90 cents per share, compared with a loss of C$830,000 for the same period of 1983. The total loss for 1983 was C$9.88.

The return to net earnings, however, is a result of extraordinary credit items. These include a gain of C$8m on the sale of part of the holding in the successful Australian gold-producing Whim Creek Consolidated, a C$2.7m equity gain on the issueof shares by the recently floated Essex International exploration company and a tax credit of C$928,000.

So unless Northgate has any further extraordinary credit items up its sleeve, results for the current three months will fall far short of those for the second quarter.

## Messina omits dividend

THE TROUBLED **Messina**, South African and Zimbabwean copper mining and industrial group, is to omit both its interim and final dividends for the current financial year to December 31. It reports a net loss of R4.08m (£1.99m) for the first half.

The company previously ran its financial year to September 30 and it earned a profit of R5.1m in the 12 months to September 30, 1983 which compared with R28.7m (before an extraordinary debitof R9.4m) in the previous year.

Messina points out that its loss for the first half of this year results mainly from high interest charges on its heavy borrowings, the decline in the value of the rand and a cut in copper production brought about in order to achieve a R45m reduction in copper stocks.

The group has foreign borrowings of some U.S.$88m

On the brighter side, Messina has earned profits in the past three months before taking into account the unrealised exchange losses on foreign loans. All the mining operations are expected to be profitable for the rest of the year and government loans have been granted to cover necessary capital expenditure.

However, the chances of the group returning to overall profitability depend on two main factors. The first is the extent to which selling prices for copper can be raised to absorb the effects on costs of the decline in the value of the rand.

The second factor will bez the impact on domestic copper demand of South Africa's recently-announced higher interest rates and credit restrictions.

Shares of Messina fell 7p to 197p in London yesterday.

## DIVIDENDS ANNOUNCED

| | Current payment | Date of payment | Corresponding div. | Total for year | Total last year |
|---|---|---|---|---|---|
| Adams & Gibbon ...int | 1.75 | Sept 28 | 1.5 | — | 5.25 |
| J. Bibby ...int | 1.7 | Oct 1 | 1.49* | — | 3.89* |
| BSR ...int | 0.39 | Nov 30 | 0.35 | — | 1.4 |
| Corah ...int | 1.6 | Oct 15 | 1.5 | — | 3.7 |
| Fleming Fledgeling int | 1 | — | 1 | — | 2.25 |
| General Accident ...int | 8 | Jan 1 | 8 | — | 19 |
| McKay Securities ...... | 2.3 | — | 1.75 | 4.2 | 3.4 |
| ML Holdings ...... | 5 | Oct 1 | 5 | 7 | 7 |
| Ocean Wilsons ...... | 2.2 | — | 2.2 | 2.95 | 2.95 |
| Phicom ...int | 0.35† | Nov 30 | 0.3 | — | 0.75 |
| J. Saville Gordon ...... | 2.62 | Oct 19 | 2.38 | 3.72 | 3.38 |
| SEET ...... | 2.7 | Oct 1 | 2.5 | 3.8 | 3.5 |
| Securicor ...int | 0.49 | Sept 28 | 0.44 | — | 1.44 |
| Security Services ...int | 1 | Sept 28 | 0.9 | — | 2.7 |
| Star Computer ...... | 2.5 | — | 2.5 | 2.5 | 2.5 |

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock.

# UK COMPANY NEWS

## Securicor raises £16m for BT deal

BY WILLIAM DAWKINS

Securicor Group and its 54.1 per cent owned subsidiary, Security Services, are to raise a total of £15.87m to finance their joint venture with British Telecom running cellular radio.

The two companies estimate that they will need £7.5m to fund the venture over the next three years, of which £2.5m will be provided by Securicor and the rest by Security Services. In addition, Services will need "substantial working capital" to develop a business in selling, installing and servicing cellular radio equipment.

The BT-Securicor service, called Cellnet, will be available in the London and M25 area from next January. Securicor Communications, which is one-third owned by Securicor Group, and two-thirds owned by Security Services, currently has a 49 per cent stake in the venture. This will fall to 40 per cent when British Telecom takes up its option ao raise its take to 60 per cent.

Securicor will be raising £10.05m net of expenses via a rights issue of 759,680 ordinary shares at 150p each and 6,833,069 non-voting "A" ordinary shares at 136p each. The issue is on the basis of one new ordinary share ad nine new "A" shares for every 58 ordinary stock units or "A" shares and 2.81 new ordinary shares and 25.23 new "A" shares for every 10 preference shares.

The group will pay £6.31m to take up its full entitlement of the *Security Services rights* issue. Services is to raise £12.13m net from a 10-for-54 rights issue of 8,753,338 ordinary shares at 142p each. It will enfranchise all of its non-voting shareholders before the rights issue in an attempt to simplify its complicated capital structure.

Services' voting shareholders will be compensated for the dilution of their voting rights by a bonus issue of 742,806 new ordinary shares on the basis of one-for-every 10 stock units held before the enfranchisement proposal. The group's stake in Services will fall to 50.8 per cent following the bonus, rights issue and enfranchisement.

Both companies yesterday issued their results for the first six months to March 30, sharing that Securicor's pre-tax profits rose by 12.8 per cent to £5.8m, while Services' profits rose by 11.4 per cent to £4.7m.

Mr Peter Smith, the group's chairman, said the results clearly demonstrated the strengths of their mainstream activities. The companies are involved in cash-carrying, security alarms, parcel courier services, and security guarding.

Securicor Group is increasing its interim dividend by 11.4 per cent to 0.49p net, and Services' dividend is raised by 11.1 per cent to 1p.

The Group's turnover increased from £130.9m to £140.1m, with UK profits up by 18 per cent to £3.3m, and the overseas contribution ahead by 3 per cent to £973,000. The contribution from finance, *investment and insurance rose* from £853,000 to £1m, but property, hotels and vehicle profits were down slightly from £629,000 to £604,000.

Mr Peter Smith chairman of Securicor

Taxation rose from £2.6m to £2.7m, a charge of 45 per cent.

Security Services' turnover rose by 8 per cent to £122.2m, with UK pre-tax profits up by 18 per cent to £3.3m and overseas profits up by 3 per cent to £973,000. The contribution from property, investment and finance was down from £529,000 to £490,000, while the tax bill was £2.2m, against £2.1m at the previous interim stage.

Earnings per share for the Securicor Group were ahead by *29.7 per cent to 4.8p, while* Services' earnings were up by 20 per cent to 5.4p per share.

The rights issue has been underwritten by County Bank dealings in the new shares are and distributed by Cazenove, expected to commence on Tuesday, September 11. The deadline for acceptances is October 2.

**● comment**

The enfranchisement of Security Services' non-voting shareholders is a step in the right direction, even though it is of little practical use to the minority investors. But in view of the City's well known distaste for non-voting equity, it is surprising that Securicor Group did not use the occasion of the rights issue to extend the same reform to its own disenfranchised shareholders. With the issue price pitched at a 30 per cent discount to Securicor's opening price, both companies' voting shares slipped 2p to 185p. Margins are still under pressure in the groups' traditional cash-carrying and static guarding businesses, but parcels services appear to be enlarging their share of a growing market. The onus is on new ventures such as cellular radio—where industry-wide retail sales are estimated to be worth at least £500m by 1990—to lift Securicor onto a more exciting growth path. And to compensate for the short term earnings dilution. But, for this year, analysts are suggesting a 17 per cent rise in profits to £13.5m pre-tax.

## ML Holdings advances further in second half

FURTHER PROGRESS was made by ML Holdings, manufacturing engineer, in the second half of the year to end-March 1984 resulting in a higher 12 months taxable profit of £1.11m against £926,000.

The result was achieved on turnover of £31.38m compared with £24.83m. Tax took more at £188,000 (£12,000), after which earnings per 25p share were little changed at 24.19p (24.11p).

The final dividend is being held at 5p maintaining the total payout at 7p.

The directors say that ML Aviation's turnover was substantially higher but the company has incurred considerable front-end costs related to increased production requirements.

Crown Foundry, for the first time for many years, achieved a small profit. ML Engineering (Plymouth) had a difficult year but a sharp upturn in orders developed in the last three months and this improvement is continuing into the current year.

Elsewhere, ML Components enjoyed a further increase in both turnover and profits hedped by valuable new agency business.

**● comment**

The lure of attractive returns on the JP233 airfield attack system MoD contract has pushed up the share price of ML Holdings from a low of 247p to touch 318p earlier this year. Yesterday the shares gained 2p to 312p on the results for the year to March. The bulk of the 26.4 per cent turnover increase comes from ML Aviation and 65 per cent of aviaation income is from the JP233. Around £1m incurred in front end costs has held back its profits contribution in 1983-84 so profits will be significantly higher in the current year. Secrecy surrounding MoD contracts prevents any accurate assessment of the significance or length of the JP233 contract though more will be revealed in the annual report. It will contain for the first time a divisional breakdown of ML Holdings business. The aviation division has quite justifiably stolen much of the limelight but good news from the other divisions should help perk up the share price again which presently stands on a historic PE of around 12.5. The upturn in orders for the engineering business, from BR and overseas, is particularly good news for profits in the next couple of years.

## Phicom prepares for expansion

Phicom experienced a successful half-year to June 30 1984 and pushed taxable profits up by 74 per cent from £1.02m to £1.78m.

The increase stemmed from a higher contribution of £1.7m, against £1.45m, from data communications and a £240,000 turnround to profits of £72,000 in electronic enclosures.

Phicom's life sciences division suffered a £52,000 fall to £134,000, but this setback was more than offset by a reduction in interest payable from £501,000 to £304,000.

Turnover for the period amounted to £21.45m, against £18.58m, and the taxable result included a more than trebled contribution of £174,000 (£50,000) from associates.

The interim dividend is being increased by 17 per cent from 0.3p to 0.35p on the enlarged capital with stated earnings per share 0.4p higher at 1.9p.

Commenting on the results, Mr A. K. S. Franks, the chairman, said: "This has been a successful first half showing a substantial improvement over the same period last year.

"Our products have sold well, we have won new important contracts and successfully launched new products. In this climate and with a strong balance-sheet, we can look forward to a period of expansion."

In the data communications division an enhanced model of the Puma telex machine was successfully launched in the *spring and has been* well received by customers of British Telecom.

An initial £5.6m contract for security printers has been awarded to Trend Communications by the Army for delivery in 1985-86.

Phasing of deliveries to customers has this year favoured the results of the first half. Accordingly, current forecasts do not indicate a further improvement in the rate of profit during the second half.

Mr Franks said that life sciences suffered from delays in the release of funds by Governments in several countries. This, together with costs involved in updating the design of a major product to meet the latest requirements of the market, caused the reduction in profit in the first half. Second-half results, however, should show an improvement.

In the last full year Phicom achieved pre-tax profits of £2.36m on turnover of £38.32m, and paid a 0.45p final dividend.

Phicom's tax for the period under review was £570,000 (£317,000). Preference dividends absorbed a same-again £103,000 to leave an attributable balance of £1.11m (£601,000).

In July, Phicom sold its 50 per cent holding in Rank Phicom Video Group. The sale realised £4.5m which has been used to reduce borrowings—the effects of the disposal are not incorporated in the interim results.

## Adams & Gibbon up but warns

TAXABLE PROFITS rose from £281,000 to £364,000 at Adams & Gibbon in the six months to end-May 1984, but the directors warn that the second half may be difficult because of higher interest rates and the miners' strike.

The company is a garage proprietor, motor dealer and engineer.

Although the directors are confident that Adam's spread of activities will produce good trading results for the year they say that this confidence is more muted than it was three months ago.

After tax of £90,000 (£30,000), earnings per 25p share are shown as 15.1p (13.8p). The interim dividend is being lifted by 0.25p to 1.75p.

## Saville Gordon doubled to £1.3m

SECOND-HALF pre-tax profits of J. Saville Gordon, metal trading and scrap processing, engineers' merchant, expanded from £427,000 to £822,000 and lifted the figure for the year ended April 30 1984 to £1.33m, more than double the previous £586,000. A record £1.6m was reached in 1979-80.

The directors say that results for the early months of the year are affected by holiday close-downs, and can be misleading. However, figures so far are encouraging and they say it seems likely that profits for the current year will continue to rise.

Turnover for 1983-84 increased to £22.98m (£17.96m) and with trading profits of £2.02m (£989,000) were split as to: pipeline equipment and engineers' merchants £8.23m (£6.93m) and £362,000 (£210,000); metal trading and scrap processing £13.53m (£10.31m) and £755,000 (£239,000); property investment £1.22m (£721,000) and £904,000 (£540,000).

Earnings per 10p share are given as 7.6p (2.9p) and the dividend is increased to 3.72p (3.382p) net with a final payment of 2.62p.

Saville Gordon has raised its stake in Duport, the investment holding company, to 5.43 per cent through recent purchases of ordinary shares.

Saville first bought shares in Duport three years ago and now holds 2.4m shares. Mr Saville, who said yesterday that "the Duport stock purchases were a good investment then and are still a good investment now," is a non-executive director at Duport.

## More growth and efficiency for Corah

GROWING DEMAND for Corah's products together with increased efficiency throughout the business has resulted in an improved profit performance in the first half of 1984.

Mr G. N. Corah, the chairman of this Leicester-based manufacturer and distributor of knitted clothing and fabrics, reports a 23 per cent rise in pre-tax profits for the period to June 30, and says that the order book for the second half of the year is strong. The company's largest customer is Marks and Spencer.

The interim result increased by some £230,000 to reach £1.25m on sales ahead from £27.7†m to £32.05m.

The interim dividend is 1.6p net per share against last year's 1.6p, part of the 3.7p total. Earnings per share are shown to have fallen slightly from 2.7p to 2.6p.

## Yearlings total £18m

Yearling bonds totalling £18.25m at 10¼ per cent, redeemable on August 21 1985, have been issued this week by the following local authorities.

Derby City Council £1m; Manchester (City of) £1.5m; Alnwick District Council £0.5m; Rhondda Borough Council £1.0m; Slough (Borough of) £0.5m; Merthyr Tydfil BC £0.5m; Breckland DC £0.5m; Rochdale Metropolitan BC £0.5m; St Edmundsbury BC £0.5m; Lambeth (London Borough of) £1m; Scunthorpe (Borough of) £0.25m; Tayside Regional Council £1m; Camden (London Borough of) £1m; Redbridge (London Borough of) £1m; Strathclyde Regional Council £2m; Lothian Regional Council £2m; Kingston upon Hull (City of) £1m; Tendring DC £0.5m; Newcastle upon Tyne (City of) £0.5m; Stafford BC £0.5m; Sunderland (Borough of) £1m.

## Ocean Wilsons

Following an even first half result of £1.77m, against £1.79m, pre-tax profits of Ocean Wilsons (Holdings), investment holding concern, emerged well down at £2.72m for the 1983 year compared with £4.17m previously. Turnover dropped from £54.38m to £37.44m.

The dividend is maintained, however, at 2.95p with a same-again final distribution of 2.2p net per 20p share. Earnings were 3.68p (7.54p) after tax of £1.75m (£2.15m).

The directors say that accounts for 1983 have been drawn up in the form of group accounts, not consolidated accounts as in previous years. Because of this change the figures are not comparable.

## Thorn EMI

The rights issue by Thorn EMI of up to 38.17m ordinary shares at 370p, has been taken up to the extent of 35.82m shares, 93.9 per cent of the issue. Those shares not taken up have been sold at 431¾p in the market.

## BOARD MEETINGS

Interims + Anglo-International Investment Trust, T. Clarke, Hill and Smith, Independent Newspapers, Ratcliffs (Great Bridge), Royal Insurance, Transport Development, Tronoh Mines Malaysia.

Finals + AGB Research, Caledonian Associated Cinemas, Fleming Japanese Investment Trust, A. & J. Golfer, MS International, Louis Newmark, Parkfield Foundries, Philips' Lamps, SelecTV, Victor Products, Waring and Gillow.

FUTURE DATES

| | |
|---|---|
| **Interims—** | |
| Argyle Trust | Aug 22 |
| Arrow Chemicals | Sept 3 |
| Benford Concrete Machinery | Aug 24 |
| Bowater Industries | Sept 13 |
| Braime (T. F. & J. H.) | Aug 22 |
| Bunzl | Sept 6 |
| Cadbury Schweppes | Aug 23 |
| Ericsson (L. M.) (Telefonaktiebolaget) | Aug 23 |
| Exco International | Aug 23 |
| Friedland Doggart | Sept 6 |
| Hepworth Ceramic | Sept 6 |
| Hestair | Sept 11 |
| Standard Chartered Bank | Aug 21 |
| Supra | Aug 22 |
| York Mount | Aug 20 |
| **Finals—** | |
| Bell (Arthur) | Sept 25 |
| Consolidated Plantations | Aug 29 |
| Global | Aug 21 |
| Our Price | Sept 10 |
| Staffordshire Potteries | Sept 12 |

*Prices at 3pm, August 15*

# NEW YORK STOCK EXCHANGE COMPOSITE PRICES

| 12 Month High | Low | Stock | Div. | Yld. | P/ E | Sls 100s | High | Low | Close Quote | Ch'ge Prev. Close |
|---|---|---|---|---|---|---|---|---|---|---|
| 23½ | 13¾ | AAR | 48 | 2.2 | 23 | 52 | 22 | 22 | 22 | |
| 22 | 13½ | AMCA | n | 1 | 72 | 1 | 13⅞ | 13⅞ | 13⅞ | |
| 18⅞ | 13⅛ | AMF | 50 | 3 | 1148 | 922 | 16½ | 16⅛ | 16⅛ | |
| 41⅛ | 24¼ | AMR | | | 4 | 3305 | 28 | 27½ | 27⅞ | + ⅛ |
| 20⅛ | 18 | AMR | pf2 18 | 11 | | 66 | 19⅝ | 19⅛ | 19⅛ | |
| 41½ | 27½ | AMR | pf2 13 | 7.0 | | 157 | 30⅞ | 29⅞ | 30⅞ | + ⅞ |
| 25½ | 23 | ANR | pf2 67 | 11 | | 1 | 23⅝ | 23⅝ | 23⅝ | |
| 22 | 19½ | ANR | pf2 12 | 10 | | 2 | 20⅝ | 20⅝ | 20⅝ | |
| 16¾ | 8½ | APL | | | 4 | 39 | 11⅛ | 10⅝ | 10⅝ | − ½ |
| 55⅛ | 40¼ | ARA | 2 10 | 4.1 | 10 | 341 | 53 | 51 | 51⅛ | − ⅝ |
| 71½ | 44¼ | ASA | 3a | 5.5 | | 693 | 55 | 53⅝ | 54½ | + ⅛ |
| 30⅛ | 16½ | AVX | .32 | 1.3 | 16 | 326 | 24⅛ | 23¾ | 24⅛ | + ⅜ |
| 53⅞ | 38¼ | AbtLab | 1 20 | 2.6 | 15 | 1453 | 46⅞ | 46 | 46 | − ½ |
| 34 | 23⅛ | AccoWd | 60 | 1.8 | 19 | 136 | 33⅛ | 32½ | 32½ | − 1⅛ |
| 27⅛ | 12½ | AcmeC | 40 | 2.9 | | 21 | 13⅞ | 13⅛ | 13⅞ | + ⅛ |
| 12⅞ | 8⅛ | AcmeE | 32b | 3.2 | 16 | 20 | 10 | 9⅞ | 10 | + ⅛ |
| 24⅞ | 11 | AdmDg | 04 | .2 | 9 | 45 | 16¼ | 16 | 16⅛ | + ⅛ |
| 18⅞ | 15 | AdaEx | 2.11e | 13 | | 39 | 16⅞ | 16⅛ | 16⅞ | + ⅛ |
| 18⅞ | 11⅞ | AdmMl | .28 | 2.1 | 14 | 10 | 13⅝ | 13½ | 13⅝ | + ⅛ |
| 22 | 13½ | AdvSys | 811 | 4.3 | 18 | 877 | 19 | 17⅞ | 18⅛ | + ⅛ |
| 38½ | 25⅛ | AMD | | | 21 | 4195 | 37½ | 36¼ | 37 | + ⅛ |
| 17⅞ | 7⅞ | Advest | .12 | 1.1 | | 133 | 10⅛ | 10½ | 10⅝ | |
| 21⅞ | 9⅞ | Aerflex | | | 12 | 17 | 12⅞ | 12⅞ | 12⅞ | − ⅛ |
| 39 | 27¼ | AetnLf | 2.64 | 7.6 | 92 | 1227 | 34⅝ | 34⅛ | 34⅝ | + ⅛ |
| 58⅞ | 54 | AetL | pf5 48e | 9.7 | | 7 | 56⅛ | 56⅛ | 56⅛ | |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

B—B—B

C—C—C

D—D—D

E—E—E

F—F—F

G—G—G

H—H—H

I—I—I

J—J—J

K—K—K

L—L—L

M—M—M

N—N—N

O—O—O

P—Q

Continued on Page 21

# AMERICAN STOCK EXCHANGE COMPOSITE PRICES

*Prices at 3pm, August 15*

| 12 Month High | Low | Stock | Div. | Yld. | P/E | Sls 100s | High | Low | Close Quote | Ch'ge Prev. Close |
|---|---|---|---|---|---|---|---|---|---|---|
| 15⅞ | 8¼ | ALLab | n | | 14 | 123 | 11⅝ | 11 | 11 | + ⅛ |
| 6⅞ | 2⅞ | vjAMIn | | | | 14 | 2⅞ | 2⅞ | 2¾ | |
| 4⅞ | ⅜ | ATI | | | | 9 | 1 | 1 | 1 | |
| 68½ | 58 | ATTFd | n3.88e | 5.6 | | 74 | 68⅝ | 68 | 68 | − ⅛ |
| 7⅞ | 2¾ | AcmePr | | | | 26 | 3⅛ | 3 | 3⅛ | − ⅛ |
| 17⅞ | 10½ | AcmeU | .32 | 2.9 | 12 | 17 | 11⅝ | 11½ | 11½ | − ⅛ |
| 16⅞ | 9⅞ | Action | | | 11 | 151 | 16⅝ | 16⅜ | 16⅜ | + ⅛ |
| 9¼ | 5⅞ | Actonx | | | | 98 | 5⅝ | 5½ | 5⅝ | + ⅛ |
| 4⅞ | ⅝ | Actn | wt | | | 7 | ⅞ | ⅞ | ⅞ | |
| 5⅞ | 2⅜ | AdmRs | | | 5 | 3 | 3⅜ | 3⅜ | 3⅜ | + ⅛ |
| 27 | 15⅞ | AdRusl | s.10 | .5 | 18 | 40 | 22⅜ | 22 | 22 | − ⅛ |
| 27¾ | 15 | Adobe | .24 | 1.3 | 13 | 119 | 18⅝ | 18⅜ | 18½ | + ⅛ |
| 6⅞ | 3⅞ | Aegis | | | 14 | 16 | 4⅞ | 4⅜ | 4⅜ | − ⅛ |
| 6⅞ | 4 | Aeronc | | | 8 | 288 | u6⅞ | 6⅜ | 6⅜ | |
| 27½ | 16⅞ | AflHsp | .44 | 2.0 | 9 | 3 | 22⅜ | 22⅜ | 22⅜ | − ⅛ |
| 15⅞ | 8⅞ | AlrSk | .12e | .8 | 10 | 5 | 14½ | 14⅜ | 14⅜ | |
| 9½ | 5⅞ | AirExp | | | 32 | 61 | 8½ | 8¼ | 8¼ | + ⅛ |
| 5⅞ | 3⅞ | Alamco | | | 7 | 79 | 3⅞ | 3¾ | 3⅞ | − ⅛ |
| 17⅞ | 8⅞ | AlbaW | .15e | 1.8 | 8 | 22 | 8⅜ | 8¼ | 8¼ | − ⅛ |
| 70½ | 56⅜ | AlgC | wt | | | 1 | u75 | 75 | 75 | +4½ |
| 9⅞ | 6⅞ | Alpha | .46r | 6.3 | 2 | 1 | 7⅜ | 7⅜ | 7⅜ | + ⅛ |
| 22⅜ | 12¼ | Alphain | .05 | .3 | 20 | 13 | 16⅝ | 16⅜ | 16⅜ | + ⅛ |
| 2⅞ | ⅞ | Altex | | | | 51 | ⅞ | ⅞ | ⅞ | |
| 35 | 28⅝ | Alcoa | pf3.75 | 12. | | z1000 | 32 | 32 | 32 | − ⅛ |
| 28½ | 11 | AlzaCp | | | 45 | 69 | 13½ | 13⅜ | 13½ | |
| 20½ | 9½ | Amdahl | .20 | 1.8 | 13 | 1933 | 11⅜ | 11 | 11⅜ | − ⅛ |
| 21⅞ | 7⅞ | Amedco | .08 | .8 | 11 | 57 | 9⅜ | 9½ | 9⅜ | + ⅛ |
| 8½ | 4⅜ | AmBilt | .15 | 2.7 | 5 | 18 | 5⅜ | 5⅜ | 5⅜ | − ⅛ |
| 9⅞ | 2⅜ | AmCap | | | | 10 | 5⅞ | 5⅜ | 5⅜ | − ⅛ |
| 38½ | 12⅜ | AExp | wt | | | 326 | 20 | 18½ | 18½ | −1⅛ |
| 9⅞ | 4 | Amrael | | | 1 | 1 | 5⅜ | 5⅜ | 5⅜ | |

Continued on Page 22

# NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Continued from Page 20

## X–Y–Z

| 12 Month High | Low | Stock | Div. | Yld. | P/E | Sls 100s | High | Low | Close Quote | Ch'ge Prev. Close |
|---|---|---|---|---|---|---|---|---|---|---|
| 52⅞ | 33¾ | Xerox | 3 | 7.7 | 10 | 5763 | 39 | 38 | 38¾ | − ⅛ |
| 51¼ | 45¾ | Xerox | pf5.45 | 11. | | 4 | 49 | 48⅝ | 49 | |
| 37 | 19 | XTRA | .2 | 6 | 9 | 74 | 25 | 24⅝ | 24⅞ | − ⅛ |
| 34 | 24 | ZaleCp | 1.26 | 4.5 | 10 | 20 | 28⅜ | 28⅛ | 28⅜ | |
| 26½ | 19¼ | ZapatA | .80 | 3.7 | | 3 | 21⅞ | 21⅞ | 21⅞ | + ⅛ |
| 24⅞ | 15⅜ | Zapata | .84 | 4.8 | 12 | 143 | 17⅞ | 17⅜ | 17⅜ | − ⅛ |
| 48 | 28¾ | Zayre | .40b | .9 | 13 | 930 | 46½ | 44½ | 44⅝ | −1⅛ |
| 38⅝ | 20 | ZenithE | | | 10 | 1029 | 27⅝ | 27¼ | 27⅜ | − ⅛ |
| 27⅞ | 18 | Zero | s.36 | 1.5 | 18 | 261 | 24½ | 24 | 24½ | + ⅛ |
| 34 | 21⅜ | Zurnin | 1.32 | 5.2 | 13 | 54 | 25⅝ | 25½ | 25⅝ | − ⅛ |

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

# WORLD STOCK MARKETS

## AUSTRIA

| Aug. 14 | Price Sch% | + or — |
|---|---|---|
| Creditanstalt | 306 | +1 |
| Goesser | 326 | —1 |
| Interunfall | 400 | ..... |
| Laenderbank | 205 | ..... |
| Perlmooser | 345 | —2 |
| Steyr-Dimlera | 140 | +1 |
| Veitscher Mag | 211 | —3 |

## BELGIUM/LUXEMBOURG

| Aug. 14 | Price Frs. | + or — |
|---|---|---|
| ARBED | 1,520 | —15 |
| Banq Int A Lux | 5,150 | ..... |
| Bekaert B | 4,130 | +30 |
| Ciment CBR | 2,430 | —20 |
| Cockerill | 254 | —6 |
| Delhaize | 5,450 | +50 |
| EBES | 2,700 | +55 |
| Electrobel | 7,500 | +50 |
| Fabrique Nat | 2,025 | +30 |
| GB Inno BM | 3,200 | +10 |
| GBL (Brux) | 2,345 | +5 |
| Gevaert | 3,450 | +30 |
| Hoboken | 5,410 | —20 |
| Intercom | 2,000 | +30 |
| Kredietbank | 6,780 | +30 |
| Pan Hldgs | 9,230 | ..... |
| Petrofina | 6,930 | —20 |
| Royale Belge | 9,400 | —50 |
| Soc. Gen. Banq | 2,940 | —5 |
| Soc. Gen. Belge | 1,850 | +20 |
| Sofina | 6,650 | +50 |
| Solvay | 3,870 | —5 |
| Traction el. | 3,805 | +5 |
| UCB | 4,900 | +60 |
| Vieille Mont. | 4,140 | —60 |

## DENMARK

| Aug 15 | Price Kur % | + or — |
|---|---|---|
| Aarhus Olie | 460 | ..... |
| Andelsbanken | 257 | +5 |
| Baltic Skand | 720 | ..... |
| CopHandelsbank | 274 | +4 |
| D. Sukkerfab | 680 | +25 |
| Danske Bank | 266 | +4 |
| East Asiatic | 196 | —1 |
| Forenede Brygg | 960 | ..... |
| Forenede Damp | 111 | —1 |
| GNT Hldg | 535 | +10 |
| I.S.S.B. | 510 | ..... |
| Jyske Bank | 535 | +1 |
| Novo Ind. | 2,545 | —60 |
| Privatbanken | 236 | +3 |
| Provinsbanken | 327 | +3 |
| Smidth (F) | 215 | —2 |
| Sophus Berend | 1,015 | +5 |
| Superfos | 507 | +3 |

## FRANCE

| Aug. 14 | Price Frs. | + or — |
|---|---|---|
| Emprunt 4½% 1973 | 1,728 | +4 |
| Emprunt 7% 1973 | 9,199 | +34 |
| CNE 3% | 3,584 | +3 |
| Air Liquide | 518 | —2 |
| BIC | 416 | —2 |
| Bouygues | 600 | +3 |
| BSN Gervais | 2,510 | —10 |
| CIT-Alcatel | 1,060 | +11 |
| Carrefour | 1,465 | —2 |
| Club Mediter'n | 890 | —4 |
| CFAO | 596 | ..... |
| Cie Bancaire | 510 | ..... |
| Cofimeg | 210 | ..... |
| Darty | 935 | +10 |
| Dumez S.A. | 649 | —1 |
| Eaux (Cie Gen) | 525 | ..... |
| Elf-Aquitaine | 209 | —3 |
| Gen. Occidentale | 621 | ..... |
| Imetal | 81.4 | —0.1 |
| Lafarge Coppee | 319.1 | —1.9 |
| L'Oreal | 2,243 | —12 |
| Legrand | 1,825 | ..... |
| Maisons Phenix | 197 | —1 |
| Matra S.A. | 1,450 | —3 |
| Michelin B | 767 | —2 |
| Midi (Cie) | 1,619 | +4 |
| Moet-Hennessy | 1,690 | +1 |
| Moulinex | 101.8 | +0.8 |
| Nord Est | 45.9 | ..... |
| Pernod Ricard | 809 | +14 |
| Perrier | 487 | —4 |
| Petroles Fra. | 229.8 | ..... |
| Peugeot S.A. | 195 | +4.5 |
| Poclain | 43.8 | —0.2 |
| Printemps Au | 139 | —0.2 |
| Radiotech | 245.1 | —3.1 |
| Redoute | 1,002 | ..... |
| Roussel-Uclaf | 1,279 | ..... |
| Sefimeg | 241 | +4 |
| Skis Rossignol | 1,357 | —4 |
| Telemech Elect. | 1,620 | +5 |
| Thompson (CSF) | 314.1 | —1.4 |
| Valeo | 222 | +1 |

## GERMANY

| Aug. 15 | Price Dm. | + or — |
|---|---|---|
| AEG-Telef | 93 | +0.2 |
| Allianz Vers | 761 | ..... |
| BASF | 156.9 | +0.4 |
| Bayer | 167.8 | +0.7 |
| Bayer-Hypo | 268 | —1 |
| Bayer-Verein | 308.5 | —2.5 |
| BHF-Bank | 238 | +0.5 |
| BMW | 390 | ..... |
| Brown Boveri | 199 | ..... |
| Commerzbank | 151.5 | —1.0 |
| Cont'l. Gummi | 118.8 | —1.2 |
| Daimler-Benz | 549 | —3 |
| Degussa | 343 | ..... |
| D'sche Babcoc | 149 | —1 |
| Deutsche Bank | 338.7 | +0.2 |
| Dresdner Bank | 154.8 | —1 |
| GHH | 143 | +1 |
| Hochtief | 485xd | +17 |
| Hoechst | 169 | +1 |
| Hoesch Werke | 95.7 | +2.5 |
| Holzmann (P) | 423 | +7.5 |
| Horten | 166 | —2 |
| Kali und Salz | 214 | +0.5 |
| Karstadt | 239 | —1 |
| Kaufhof | 214 | —1 |
| KHD | 229 | —2 |
| Kloeckner | 58.5 | +1.5 |
| Krupp | 76 | ..... |
| Linde | 357.8 | +3.8 |
| Lufthansa | 166 | +0.6 |
| MAN | 138.8 | +0.8 |
| Mannesmann | 142.8 | +0.6 |
| Mercedes Hld | 488 | +2 |
| Metallgesell | 210 | —4.5 |
| Muench Rueck | 1074 | +64 |
| Preussag | 255 | —0.6 |
| Rhein West Elect. | 159 | ..... |
| Rosenthal | 230 | ..... |
| Schering | 354 | ..... |
| Siemens | 389.7 | +1.7 |
| Thyssen | 76.7 | +2.2 |
| Varta | 165 | +1 |
| Veba | 171 | +1 |
| V.E.W. | 116 | +0.5 |
| Verein-West. | 292 | ..... |
| Volkswagen | 178.8 | —1.1 |

## ITALY

| Aug. 14 | Price Lira | + or — |
|---|---|---|
| Banca Com'le | 17,095 | —105 |
| Bastogi-IRBS | 144 | ..... |
| Centrale | 2,050 | —13 |
| Credito Varesino | 4,050 | +40 |
| Fiat | 4,450 | +60 |
| Finsider | 38 | ..... |
| Generali Assicur | 33,410 | —100 |
| Invest | 2,885 | —10 |
| Italcementi | 47,000 | —150 |
| Montedison | 1,165 | —5 |
| Olivetti | 5,945 | —65 |
| Pirelli Co | 3,245 | —300 |
| Pirelli Spa | 1,880 | +13 |
| Snia BPD | 1,765 | +166 |
| Toro Assic. | 11,510 | —40 |
| do. Pref | 9,100 | —15 |

## NETHERLANDS

| Aug. 15 | Price Fls | + or — |
|---|---|---|
| ACF Holding | 182 | +2 |
| AEGON | 118.5 | —0.7 |
| Ahold | 193 | —0.2 |
| AKZO | 90 | +1.6 |
| ABN | 301 | —9 |
| AMEV | 155.5 | —0.5 |
| AMRO | 63 | —1.8 |
| Bredero Cert. | 187 | —2 |
| Bos Kalis Westm. | 26.3 | —0.2 |
| Buehrmann-Tet | 68.5 | ..... |
| Calland Hldgs. | 33 | ..... |
| Credit Lyon'is Bk | 47.5 | +0.3 |
| Elsevier-NDU | 90 | —1.8 |
| Gist Brocades | 152.5 | +1 |
| Heineken | 136.5 | —1.5 |
| Hoogovens | 54.5 | +1.5 |
| Hunter Douglas | 28 | —0.1 |
| Int Mueller | 35.3 | —0.1 |
| KLM | 178.5 | —1.5 |
| Naarden | 39.6 | —0.8 |
| Nat Ned Cert | 222.5 | —1.7 |
| Ned. Credit Bank | 40 | ..... |
| Ned Mid Bank | 132 | —1.5 |
| Nedlloyd | 106.5 | —0.5 |
| Oce Grinten | 242 | —0.6 |
| Ommeren (Van) | 26.5 | —0.5 |
| Pakhoed | 64.5 | —0.5 |
| Philips | 48.8 | —0.9 |
| Rijn-Schelde | 2.3 | ..... |
| Robeco | 64.1 | —0.2 |
| Rodamco | 131.7 | —0.1 |
| Rolinco | 60.8 | —0.2 |
| Rorento | 202.4 | +0.3 |
| Royal Dutch | 157 | —0.5 |
| Unilever | 256 | —1.5 |
| VMF Stork | 123.2 | +0.2 |
| VNU | 154.8 | —0.7 |
| West Utr Bank | 81.5 | —0.6 |

## NORWAY

| Aug 15 | Price Kroner | + or — |
|---|---|---|
| Bergen Bank | 152 | —2 |
| Borregaard | 303 | —7 |
| Christiania Bank | 154 | ..... |
| DenNorske Credit | 153 | —1 |
| Elkem | 139 | —1 |
| Norsk Data | 319 | —3.5 |
| Norsk Hydro | 563 | —1 |
| Storebrand | 214 | —2 |

## SPAIN

| Aug 14 | Price Pta% | + or — |
|---|---|---|
| Bco Bilbao | 350 | —4 |
| Bco Central | 357 | —2 |
| Bco Exterior | 205 | —1 |
| Bco Hispano | 238 | —4 |
| Bco Santander | 334 | —4 |
| Bco Vizcaya | 397 | —1 |
| Dragados | 157 | —3 |
| Hidrola | 63.7 | —1.5 |
| Iberduero | 67.5 | —1.7 |
| Petroleos | 142.5 | ..... |
| Telefonica | 89 | +0.5 |

## SWEDEN

| Aug 15 | Price Kronor | + or — |
|---|---|---|
| AGA | 385 | ..... |
| Alfa-Laval | 235 | ..... |
| ASEA (Free) | 362 | +2 |
| Astra (Free) | 465 | +25 |
| Atlas Copco | 118 | +1 |
| Boliden (Free) | 385 | —1 |
| Cardo (Free) | 330 | —5 |
| Cellulosa | 133 | —1 |
| Electrlux B | 254 | —2 |
| Ericson | 374 | —1 |
| Ersette | 300 | —5 |
| Mo Och Domsjo | 370 | —2 |
| Pharmacia | 225xc | +4 |
| Saab Scania Free | 566 | ..... |
| Sandvik | 402 | —5 |
| Skandia | 352 | ..... |
| Skan Enski'da | 61.6 | ..... |
| SKF | 180 | ..... |
| St Kopparberga | 705 | —5 |
| Sven Handlesbn | 184 | ..... |
| Swedish Match | 228 | —4 |
| Volvo B (Free) | 243 | —1 |

## SWITZERLAND

| Aug. 15 | Price Frs. | + or — |
|---|---|---|
| Alusuisse | 732 | +7 |
| Bank Leu | 3,550 | ..... |
| Brown Boveri | 1,375 | —5 |
| Ciba Geigy | 2,430 | +5 |
| do. (Part Certs) | 1,830 | +15 |
| Credit Suisse | 2,120 | —5 |
| Elektrowatt | 2,325 | +5 |
| Fischer (Geo.) | 625 | +5 |
| Genevoise | 3,450 | ..... |
| Hoff-RochePtCts | 95,000 | ..... |
| Hoff-Roche 1/10 | 9,475 | —25 |
| Jacobs Suchard | 6,225 | +25 |
| Jelmoli | 1,770 | —10 |
| Landis & Gyr | 1,415 | +25 |
| Nestle | 5,500 | +10 |
| Oer-Buehrle | 1,225 | —15 |
| Perelli | 249 | —1 |
| Sandoz (Br) | 7,125 | —25 |
| Sandoz (PtCts) | 1,098 | +13 |
| Schindler (PtCts) | 575 | +15 |
| Swissair | 975 | +2 |
| Swiss Bank | 323 | —2 |
| Swiss Reinsce. | 7,325 | +25 |
| Swiss Volksbk | 1,355 | ..... |
| Union Bank | 3,260 | ..... |
| Winterthur | 2,900 | ..... |
| Zurich Ins | 16,850 | —100 |

## AUSTRALIA

| Aug. 15 | Price Aust $ | + or — |
|---|---|---|
| ANZ Group | 4.88 | +0.03 |
| Acrow Aust | 1.6 | ..... |
| Alliance Oil D | 0.82 | +0.07 |
| Ampol Pet. | 1.73 | ..... |
| Aust Cons Ind. | 1.92 | ..... |
| Aust. Guarant. | 2.9 | ..... |
| Aust. Nat. Inds | 2.35 | ..... |
| Aust. Paper | 2.35 | ..... |
| Bell Group | 4.55 | —0.1 |
| Bond Corp Hldgs | 1.3 | +0.05 |
| Boral | 3.53 | +0.01 |
| B'ville Copper | 1.72 | +0.54 |
| Brambles Inds | 3 | ..... |
| Bridge Oil | 2.8 | +9.1 |
| BHP | 10.75 | +0.15 |
| CRA | 5.6 | +0.1 |
| CSR | 3.32 | +0.04 |
| Carlton Utd | 4.30 | ..... |
| Castlemaine Tys. | 4.4 | +0.05 |
| Coles (G.J.) | 3.9 | +0.05 |
| Comalco "A" | 2.55 | ..... |
| Consolidated Pet | 0.52 | +0.02 |
| Costain Aust | 1.5 | —0.1 |
| Dunlop Aust | 1.8 | —0.01 |
| E.Z. Inds | 6.44 | +0.2 |
| Elders IXL | 4.0 | ..... |
| Energy Res. | 1.63 | +0.05 |

## AUSTRALIA (continued)

| Aug. 15 | Price Aust. $ | + or — |
|---|---|---|
| Gen Prop Trust | 2.18 | ..... |
| Hardie (J) | 3.33 | —0.02 |
| Hartogen Energy | 2.25 | ..... |
| Herald W'yTimes | 3.7 | ..... |
| ICI Aust. | 2.12 | ..... |
| Jimb'lana 50cFP | 0.32 | +0.01 |
| Kia Ora Gold | 0.14 | +0.02 |
| Lend Lease | 5.46 | —0.18 |
| MIM | 2.96 | +0.11 |
| Mayne Nickless | 2.8 | —0.05 |
| Meekatharra | 1.05 | ..... |
| Myer Emp. | 1.85 | +0.03 |
| Nat. Com. Bk | 3.43 | +0.03 |
| News | 10.6 | —0.1 |
| Nicholas Kiwi | 4.01 | —0.05 |
| North Bkn Hill | 2.34 | —0.06 |
| Oakbridge | 0.88 | +0.01 |
| Otter Expl. | 0.49 | ..... |
| Pancont'l | 1.30 | +0.06 |
| Pioneer Conc. | 1.52 | +0.01 |
| Queensland Coal | 1.18 | ..... |
| Rickett & Coln. | 2.85 | ..... |
| Repco | 1.15 | ..... |
| Santos | 6.3 | +0.2 |
| Smith (H.) | 3.7 | ..... |
| Southland Min'g. | 0.29 | ..... |
| Spargos Expl | 0.5 | ..... |
| Thos. Natwide | 1.65 | ..... |
| Tooth | 5.50 | ..... |
| Vamgas | 3.35 | —0.05 |
| Western Mining | 3.5 | +0.04 |
| Westpac | 3.84 | +0.03 |
| Woodside Petrol. | 1.2 | +0.05 |
| Woolworths | 2.6 | +0.05 |
| Wormald Intl | 3.90 | ..... |

## HONG KONG

| Aug. 15 | Price H.K.$ | + or — |
|---|---|---|
| Bank East Asia | 20.5 | +0.2 |
| Cheung Kong | 7.85 | +0.05 |
| China Light | 12.5 | —0.1 |
| Hang Lung Devel. | 2.15 | ..... |
| Hang Seng Bank | 33 | +0.25 |
| HK Electric | 5.75 | +0.05 |
| HK Kowloon Wh. | 3.37 | ..... |
| HK Land | 2.7 | +0.05 |
| HK Shanghai Bk. | 6.35 | ..... |
| HK Telephone | 43.5 | ..... |
| Hutchison Wpa. | 10.9 | +0.2 |
| Jardine Math. | 8 | +0.15 |
| New World Dev. | 3.97 | ..... |
| Orient O'seas | 2.27 | +0.02 |
| Oseas Trust Bk. | 2.9 | ..... |
| SHK Props | 5.85 | —0.15 |
| Swire Pac A | 17.3 | +0.2 |
| Wheel'k Mard A | 3.2 | +0.05 |
| Wheel'k M'time | 1.9 | ..... |
| World Int. Hldgs. | 1.84 | +0.04 |

## JAPAN

| Aug. 15 | Price Yen | + or — |
|---|---|---|
| Ajinomoto | 1,220 | —10 |
| Alps Electric | 2,290 | +70 |
| Amada | 1,340 | +30 |
| Asahi Chem | 663 | —14 |
| Asahi Glass | 746 | ..... |
| Bridgestone | 599 | +9 |
| Canon | 1,500 | +20 |
| Casio Comp | 1,480 | +30 |
| Chugai Pharm. | 100 | +30 |
| Citizen | 530 | +5 |
| Daiei | 660 | —2 |
| Dai Nippon Ptg | 950 | +1 |
| Daiwa House | 520 | —8 |
| Ebara | 315 | —5 |
| Eisai | 1,200 | —50 |
| Fanuc | 9,150 | +200 |
| Fuji Bank | 881 | —2 |
| Fuji Film | 1,750 | +20 |
| Fujisawa | 1,050 | —10 |
| Fujitsu | 1,340 | +10 |
| Green Cross | 1,620 | +20 |
| Hasegawa | 322 | —6 |
| Heiwa Real Est | 542 | —3 |
| Hitachi | 873 | +11 |
| Hitachi Credit | 1,260 | +10 |
| Honda | 1,430 | +20 |
| House Food | 731 | +6 |
| Hoya | 2,170 | +60 |
| Itoh (C) | 284 | —1 |
| Ito. Yokado | 2,090 | —50 |
| Iwatsu | 1,480 | +60 |
| JACCS | 551 | ..... |
| JAL | 3,090 | ..... |
| Jusco | 836 | —2 |
| Kajima | 283 | —1 |
| Kao Soap | 789 | —1 |
| Kashiyama | 613 | +5 |
| Kirin | 653 | +3 |
| Kokuyo | 965 | +3 |
| Komatsu | 458 | —1 |
| Konishiroku | 578 | +8 |
| Kubota | 309 | ..... |
| Kumagai | 457 | ..... |
| Kyoto Ceramic | 6,150 | ..... |
| Maeda Const | 470 | —6 |
| Makino Milling | 1,470 | +70 |
| Makita | 1,090 | +10 |
| Marubeni | 315 | +2 |
| Marudai | 611 | —6 |
| Marui | 1,100 | +20 |
| MEI | 1,700 | +10 |
| M'ta Elec Works | 698 | —8 |
| M'bishi Bank | 880 | +10 |
| M'bishi | 568 | +6 |
| M'bishi Elec. | 398 | +3 |
| M'bishi Estate | 472 | —2 |

## JAPAN (continued)

| Aug. 15 | Price Yen | + or — |
|---|---|---|
| MHI | 235 | +5 |
| Mitsui Co | 329 | ..... |
| Mitsui Estate | 645 | +5 |
| Mitsukoshi | 355 | ..... |
| NGK Insulators | 825 | ..... |
| Nihon Cement | 205 | ..... |
| Nippon Denso | 1,570 | ..... |
| Nippon Elect. | 1,300 | +40 |
| Nippon Express | 309 | —8 |
| Nippon Gakki | 775 | +100 |
| Nippon Kokan | 138 | —1 |
| Nippon Oil | 900 | ..... |
| Nippon Seiko | 540 | ..... |
| Nippon Shimpan | 626 | +7 |
| Nippon Steel | 152 | —1 |
| Nippon Suisan | 330 | +1 |
| NTV | 10,600 | +450 |
| Nippon Yusen | 218 | —2 |
| Nissan Motor | 654 | —3 |
| Nisshin Flour | 499 | +9 |
| Nisshin Steel | 170 | +3 |
| Nomura | 701 | —2 |
| Olympus | 1,040 | +20 |
| Orient Leasing | 3,540 | ..... |
| Pioneer | 2,620 | —50 |
| Renown | 625 | +8 |
| Ricoh | 990 | +12 |
| Sankyo | 810 | +18 |
| Sanyo Elect. | 520 | —2 |
| Sapporo | 415 | ..... |
| Sekisui Prefab | 572 | —10 |
| Seven-Eleven | 8,550 | —20 |
| Sharp | 1,140 | +30 |
| Shimadzu | 560 | +5 |
| Shionogi | 700 | +15 |
| Shiseido | 1,170 | +20 |
| Sony | 3,480 | +20 |
| Stanley | 792 | —6 |
| S'tmo Bank | 911 | +3 |
| S'tomo Elect. | 819 | +2 |
| S'tomo Marine | 418 | —6 |
| S'tomo Metal | 153 | ..... |
| Taihei Dengyo | 460 | ..... |
| Taisei Corp. | 203 | ..... |
| Taisho Pharm. | 891 | +1 |
| Takeda | 775 | +20 |
| TDK | 5,700 | +10 |
| Teijin | 378 | ..... |
| Teikoku Oil | 660 | —5 |
| Tokyo Marine | 600 | —1 |
| TBS | 738 | —2 |
| Tokyo Elect Pwr. | 1,170 | —20 |
| Tokyo Gas | 145 | ..... |
| Tokyo Sanyo | 709 | +13 |
| Tokyo Style | 715 | +5 |
| Tokyu Corp. | 270 | +1 |
| Toppan Print | 792 | —2 |
| Toray | 408 | —5 |
| Toshiba Elect. | 416 | +8 |
| TOTO | 595 | +5 |
| Toyo Seikan | 848 | +43 |
| Toyota Motor | 1,460 | —20 |
| Victor | 2,400 | ..... |
| Wacoal | 750 | +24 |
| Yamaha | 540 | +20 |
| Yamanouchi | 1,360 | +20 |
| Yamazaki | 650 | +5 |
| Yasuda Fire | 302 | +1 |
| Yokogawa Bdge. | 398 | —2 |

## SINGAPORE

| Aug. 15 | Price $ | + or — |
|---|---|---|
| Boustead Hldgs. | 2.32 | ..... |
| Cold Storage | 3.54 | —0.02 |
| DBS | 7.95 | —0.1 |
| Fraser & Neave | 5.7 | ..... |
| Genting | 5.85 | —0.05 |
| Haw Par. Bros. | 2.33 | —0.04 |
| Inchcape Bhd. | 3.02 | ..... |
| Keppel Shipyard | 2.19 | —0.02 |
| Malay Banking | 9.15 | +0.05 |
| Malay Brew | 6.85 | ..... |
| Multi Purpose | 1.21 | —0.01 |
| OCBC | 10 | ..... |
| OUB | 4.22 | —0.02 |
| Sime Darby | 2.19 | +0.01 |
| Straits St'mship. | 1.43 | —0.05 |
| Straits Trdg. | 5.5 | ..... |
| UOB | 4.92 | —0.02 |

## SOUTH AFRICA

| Aug 15 | Price Rand | + or — |
|---|---|---|
| Abercom | 1.40 | ..... |
| AE&CI | 7.85 | +0.1 |
| Anglo Am Coal | 32.5 | ..... |
| Anglo Am Corp | 22.75 | —0.25 |
| Anglo Am Gold | 158 | ..... |
| Barclays Bank | 16 | ..... |
| Barlow Rand | 12.1 | ..... |
| Buffels | 76.75 | +1.25 |
| CNA Gallo | 2.1 | +0.1 |
| Currie Finance | 3.65 | ..... |
| De Beers | 9.2 | —0.1 |
| Driefontein | 48.25 | —0.25 |
| FS Geduld | 60 | —0.1 |
| Gold Fields SA | 28.25 | +0.25 |
| Highveld Steel | 5.1 | —0.1 |
| Nedbank | 12.75 | +0.75 |
| OK Bazaars | 14.5 | +0.75 |
| Protea Hldgs | 1.8 | +0.2 |
| Rembrandt | 27.25 | +0.25 |
| Rennies | 15 | +0.5 |
| Rust Plat | 14.65 | +0.35 |
| Sage Hldgs. | 7.1 | ..... |
| SABrews | 6.55 | ..... |
| Smith CG | 17.9 | ..... |
| Tongaat Hulets | 8.85 | ..... |
| Unisec | 5.2 | ..... |

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

## CANADA

### TORONTO
*Prices at 2.30pm August 15*

| Sales | Stock | High | Low | Close | Chng |
|---|---|---|---|---|---|
| 2050 | Denison A | $17½ | 17⅛ | 17⅛ | —⅛ |
| 1050 | Denison B f | $16⅝ | 16½ | 16⅝ | —⅛ |
| 5200 | Develcon | $13¼ | 13⅛ | 13⅛ | +⅛ |
| 4700 | Dickinsn A f | 475 | 465 | 465 | |
| 2200 | Dickinsn B | 465 | 460 | 460 | |
| 2825 | Mclan H X | $21 | 21 | 21 | —½ |
| 511 | Merland E | 445 | 440 | 440 | —5 |
| 26800 | Molson A f | $18⅝ | 18½ | 18⅝ | |
| 400 | Molson B | $17⅞ | 17⅞ | 17⅞ | +⅛ |
| 100 | Murphy | $21 | 21 | 21 | |
| 500 | Teck Cor A | $9¼ | 9⅛ | 9⅛ | —⅛ |
| 2336 | Teck B f | $9¼ | 9⅛ | 9⅛ | —⅛ |
| 1114 | Tex Can | $36⅝ | 36 | 36⅛ | +⅛ |
| 4075 | Thom N A | $43 | 43 | 43 | |
| 6609 | Tor Dm Bk | $16½ | 16⅛ | 16⅛ | |
| 7422 | Torstar B f | $15½ | 15⅛ | 15⅛ | |

### MONTREAL
*Closing prices August 14*

## AMERICAN STOCK EXCHANGE PRICES

Continued on Page 21

# OVER-THE-COUNTER
*Nasdaq national market, 2.30pm prices*

## LONDON
**Chief price changes** (in pence unless otherwise indicated)

**RISES**

| | | |
|---|---|---|
| AB Electronic | 495 | +30 |
| Anglo Scottish | 146 | +12 |
| Brooke Bond | 113 | +4 |
| Cowie (T.) | 41½ | +4½ |
| ERF | 39 | +5 |
| Evode | 119 | +10 |
| Hill Samuel | 278 | +6 |
| Ibstock Johnsen | 230 | +9 |
| Low (Wm.) | 450 | +20 |
| McKay Secs. | 160 | +15 |
| Newbold Burton | 110 | +6 |
| Stewart Wr'tson | 416 | +13 |
| Superdrug | 308 | +10 |
| Ward White | 124 | +7 |
| Santos | 402 | +12 |
| Charter Cons. | 257 | +11 |
| Southvaal | £35¾ | +£¾ |
| Winkelhaak | £30¼ | +£1¼ |

**FALLS**

| | | |
|---|---|---|
| Tr. 9¼pc 1988 | £92¾ | —£⁵⁄₁₆ |
| Tr. 12½pc 03/05 | £117¾ | —£¾ |
| BSR | 165 | —28 |
| Bibby (J.) | 220 | —13 |
| Davy | 76 | —8 |
| Grand Met | 302 | —16 |
| ICI | 596 | —6 |
| Magnet & Sthns. | 124 | —8 |
| NatWest Bank | 487 | —16 |
| RTZ | 567 | —12 |

Continued on Page 30

# LONDON STOCK EXCHANGE

## MARKET REPORT

# Uneasy late on threat of national dock strike and less favourable U.S. news

**Account Dealing Dates**

| Option *First Dealings | Declarations | Last Dealings | Account Day |
|---|---|---|---|
| July 30 | Aug 9 | Aug 10 | Aug 20 |
| Aug 13 | Aug 30 | Aug 31 | Sept 10 |
| Sept 3 | Sept 13 | Sept 14 | Sept 24 |

* "New-time" dealings may take place from 9.30 am two business days earlier.

London stock markets began to daily yesterday awaiting the expected reductions in base lending rates. From mid-afternoon the tone became uneasy as dealers contemplated the latest and more serious threat of a national dock strike; talks aimed at resolving the situation yesterday ended with differences of opinion but will be resumed later in the week. Less favourable U.S. economic pointers contributed to the late uncertainty.

The promise of cheaper borrowing costs had initially supported both Government stocks and leading industrials. The authorities refusal, however, to lower UK money market dealing rates stifled any follow-through to early investment demand and values started to drift back. Thoughts that the Bank of England was deferring its signal for lower interest rates only until this morning's £750m issue of new Government stock was out of the way militated against any *marked decline.*

Gilt-edged securities also drew early comfort from the pound's steady trend against the dollar. Longer-dated stocks rose ¼ more before the mid-afternoon reaction encouraged profit-taking which *left selected high-coupon* issues showing net falls of ¾. Popular *short* maturities sustained falls ranging to ⅛, while index-linked Gilts lost ½ and sometimes more.

Equity traders expressed little concern over *the financial* rumour which overnight checked the Dow Jones average's recent advance. Speculative interest increased, especially for Food issues, following intense speculation about an imminent bid for Brooke Bond, *currently resisting* an unwelcome offer from Tate and Lyle.

## NetWest dull

Leading industrials were often neglected until dealers began anticipating late selling and lower Wall Street values. Some nervous offerings materialised but the overall volume was light. Most top-quality stocks suffered, however, and the FT Industrial Ordinary share index, after starting the day around two points higher, closed with a net fall of eight points at 841.6. Marked weakness in constituent **Grand Metropolitan**, down 16 at 302p, contributed to the index loss.

NatWest were a dull feature among the major clearing banks as selling of the new nil-paid shares, 15 down at 265p premium, exerted pressure on the old shares, which shed a similar amount to 467p. Other clearers managed modest progress with Lloyds *faring* best at 432p, up 4. Among Merchant Banks, **Hill Samuel** continued to trade briskly and moved up to 283p on speculative bid hopes before settling a net 6 up at 278p. **Rea Brothers** attracted support for a similar reason and gained 10 to 93p, while **Hambros** rose 8 to 150p.

**General Accident** became the second major Composite Insurance group to *report* a first-half loss, but the figures were ajudged only mildly disappointing in the wake of Commercial Union's dismal performance. GA slipped from 462p to 453p before closing unchanged on balance at 455p. **Royals** turned dull after the General Accident figures and closed 5 down at 450p, after 460p; the group reveals its interim results today. **Sun Alliance** rose 10 to 360p on news that its bid for Phoenix Assurance was not being referred to the Monopolies Commission; **Phoenix** hardened 4 to 64p. Among Lloyds brokers, **Stewart Wrightson** met with renewed speculative demand and gained 11 to a 1984 peak of 416p.

Grand Metropolitan apart, leading Breweries remained very much a backwater. **Scottish and Newcastle** eased the turn to 116p on news that the company now controls just under 30 per cent of **Moray Firth Maltings**, 10 dearer at 335p. A favourable reception to the annual figures *lifted* **Matthew Clark** 8 to 385p; brokers de Zoete and Bevan rate the shares as "good value."

Leading Buildings, steady for most of the session, were eventually towed lower in the general trend. **Blue Circle** closed 7 down at 395p and **BPB Industries** 8 lower at 265p. Timber issues were dull again following suggestions that the private sector could pay more for repair work if home improvement grants were means-tested. **Magnet and Southerns** came under further pressure and shed 8 for a two-day fall of 14 to 124p, while **Meyer International** gave up 4 at 107p and **Phoenix** a couple of pence to 86p. On the other hand, **Trent Holdings** continued to attract speculative demand on takeover hopes and firmed 3 more to 101p, while brick concern **Ibstock Johnsen** gained 9 to a 1984 high of 230p for the same reason.

## Superdrug lively

**ICI** fluctuated narrowly around the overnight level of 602p until reacting late in the session to 592p before steadying after-hours to close a net 6 down at 596p.

Leading Stores succumbed to a modest late shake-out and closed at the day's lowest. Recent speculative high-flyer **House of Fraser** encountered profit-taking and gave up 4 at 288p, while similar losses were seen in Marks and Spencer, 110p, and in British Home, 209p. **Woolworth** continued their reaction to Burton's bid denial and gave up 10 more at 513p, but the latter, aided by publicity given to a circular from brokers Laurie Milbank, touched 266p before settling 2 up on balance at 263p.

Speculative operators continued to find potential takeover targets among secondary Stores. **Superdrug** returned to favour and in a lively trade advanced to 318p before closing 10 up on balance at 308p. Market newcomer **Etam** were also wanted and rose 5 to 122p, while other bid candidates included **House of Lerose**, 135p, **Grattan**, 94p, and **Ward White**, 124p, all around 6 better, the last-mentioned following "call" option activity. **Waring and Gillow** hardened a couple of pence to 130p in front of today's preliminary figures.

Footwear issues trended higher, although interest *remained selective.* Buyers continued to display enthusiasm for **Newbold and Burton**, 6 up for a three-day advance of 17 to 110p. **Pittard** hardened 4 to 80p.

Electricals recorded several outstanding movements. Marked disappointment with the interim figures triggered persistent selling of **BSR** which fell steadily to close 28 lower at 165p. On the other hand, **AB Electronic** featured with a rise of 30 to 495p on news that the company had won a substantial order to manufacture ZX spectrum computers for Sinclair Research. **Oceonics** were noteworthy for a rise of 10 to 130p. Among the leaders, **Plessey**, awaiting today's half-year figures, eased 4 to 212p.

Leading Engineers followed the late easier trend. Elsewhere, **Davy Corporation** ran back smartly to 76p, down 8, following the company's denial of bid rumours. In contrast, **J. Saville Gordon** impraved afresh to 80p in response to good annual results before closing 3 dearer on the day at 78p. **ML Holdings**, which also reported preliminary figures, hardened a similar amount to 313p. A late flurry of buying left **Stothert and Pitt** 11 higher at 141p, but profit-taking clipped 4 from **Baker Perkins**, at 138p. **Ratcliffs (Great Bridge)** eased a couple of pence to 110p awaiting today's interim statement.

Takeover situations, both actual *and rumoured, provided* the interest in Foods. **Brooke Bond** were the subject of considerable speculative interest on strong rumours *of* a counter to Tate and Lyle's bid and touched 117p before the chairman's denial of *further approaches* sparked profit-taking which left the close a net 4 up at 113p. The Retailing sector featured Scottish supermraket concern **William Low** which met with fresh support and, in a restricted market, gained *20 to 450p.*

Unsettled by a broker's adverse circular and the company's warning of a U.S. cigarette price war, **Grand Metropolitan** came under sustained selling pressure and fell away sharply to close a net 16 down at 302p.

## Setback in Bibby

After a quiet and rather uncertain trading session, leading miscellaneous industrials closed with modest falls. Glaxo gave up 13 at 925p, while **BTR**, a good market of late in anticipation of next month's interim figures ran back 7 to 478p. Disappointing first-half results prompted a setback in **J. Bibby**, down 13 at 220p, but revived bid speculation left **Evode** 10 to the good at 119p, *after 122p. Continued talk* of a possible assets' injection took **I. D. and S. Rivlin** up to 112p before profit-taking brought a close of only 2 firmer on balance at 104p. **BET** edged up 5 to 270p folowing the chairman's annual review, but worse-than-expected preliminary results left **Star Computer** 5 lower at 125p. **Christies International** were noteworthy at 400p, up 12, along with **LRC**, 6 dearer at 105p. **Powell Duffryn** firmed 5 more to 325p.

Confirmation of a disappointing reception to the B registration — new car sales are down some 16 per cent on 1983 — made *no immediate impression on* Motor Distributors which closed a *shade firmer for choice.* **T. Cowie** stood out with a rise of 4½ at 41½p, while the increased interim profits and dividend lifted **Aams an Gibbon** a couple of pence at 198p. Elsewhere, **ERF** were marked 5 higher to 39p *following yesterday's annual* meeting.

Leading Properties made a drab showing and drifted progressively lower. **Land Securities** settled 4 cheaper at 288p, as did **MEPC**, at 310.**Hammerson "A"** lost 5 to 450p and **Stock Conversion** shed 7 to 353p. Secondary issues displayed a bright spot in **McKay Securities** which rose 15 to 160p following the good annual results and property revaluation. **Dares Estates** firmed 1½ to 21½ helped by option business, while **Marlborough** gained 2 to 53p.

Among South African industrials, **Messina** fell 7 to 193 following the substantial interim deficit.

Movements in Textiles usually favored holders.**Scottish English and European** rose 4 to 104p following the 65 per cent expansion in full-year profits. **Dawson**, 221, and **Sidar**, 135p, firmed 5 and 4 respectively, but **Courtaulds** eased a few pence to 123p.

Investment Trusts remained selectively firm. **Tor** Capital rose 5 to 229,while **Scottish and Mercantile "A"** advanced 12 to 310p. **Anglo Scottish** attained a new high of 148p before settling 12 dearer on balance at 146p following the reorganisation proposals; **Aospinall**, which holds a near-15 per cent in Anglo *Scottish, improved 5 to 115p.*

## Santos improve

Leading Oils moved narrowly in either direction and generally settled with minor losses on balance.

**BP** dipped to 480p at one point but rallied to close a couple of pence harder on balance at 485p. Recent speculative interest in **Burmah Oil** gave way *to profit-taking* and the *shares* gave ground to close 3 cheaper at 186p. **Shell** touched 618p but steadied to end the day at 620p for a net loss of 2.

Elsewhere, Australia's **Santos** jumped 12 to 402p following news that **Bridge Oil** has increased its stake to 14,91 per cent: Bridge hardened 2 to 175p.

## Golds easier

South African Golds got off to a firm start, helped by a firm opening to the bullion market, but subsequently encountered light profit-taking which left many issues with minor losses on balance.

The gold price touched $356 in initial trading but later fell away to $349.75 before steadying to close a net $2.75 easier at $325 an ounce.

The Gold Mines index showed a 2.3 decline at560.7.

South African Financials were better where changed despite the late declines in Golds. **De Beers**, scheduled to report interim results on Tuesday, rose 6 to 450p. **Gencor** put on a half-point to £12 and **Minorco** added 10 at 640p.

**East Rand Consolidated** touched a year's high of 45p prior to closing a net 3 firmer at 43p following news that **Afex Corporation** has increased its stake to 6.68 per cent; the latter *rose 12 to 117p.*

The downturn in domestic equities and the easier bullion price in the afternoon prompted a general decline in London-domiciled Financials. **Rio Tinto-Zinc** were particularly unsettled and closed a net 12 cheaper at 567p while **Consolidated Gold Fields** fell 9 to 517p. **Charter Consolidated** moved against the trend and posted an 11 improvement at 257p reflecting satisfaction with the terms of the proposed *link-up* between Mercury Securities, Akroyd and Smithers, Mullens and Rowe and iPtman—Charter currently hold a 29.9 per cent stake in Rowe and Pitman which could eventually leave Charter with a holding of up to *8.9 per cent in the enlarged* group.

Platinums showed **Impala Platinum** ½ harder at £10⅞ on further consideration of the recently announced preliminary results.

Quieter conditions prevailed in Traded Options and total contracts struck amounted to 2,922 with the FTSE 100 accounting for 331 calls and 217 puts. Another lively two-way business developed in **Grand Metropolitan** which recorded 188 calls and 196 puts following consideration of broker's view on the third-quarter figures. **Bass** sprang to life and attracted 319 calls, 140 in the March 390's.

### FINANCIAL TIMES STOCK INDICES

| | Aug. 15 | Aug. 14 | Aug 13 | Aug 10 | Aug 9 | Aug. 8 | Year ago |
|---|---|---|---|---|---|---|---|
| Government Secs | 80.22 | 80.57 | 79.93 | 80.08 | 79.10 | 79.05 | 79.78 |
| Fixed Interest | 83.06 | 83.14 | 82.86 | 83.26 | 82.62 | 82.50 | 82.46 |
| Industrial Ord. | 841.6 | †849.6 | 840.5 | 846.3 | 827.1 | 839.0 | 736.0 |
| Gold Mines | 560.7 | 563.0 | 543.6 | 557.8 | 537.9 | 527.6 | 667.7 |
| Ord. Div. Yield | 4.91 | 4.86 | 4.92 | 4.89 | 4.97 | 4.90 | 4.56 |
| Earnings, Yld.% (full) | 11.56 | 11.45 | 11.59 | 11.51 | 11.67 | 11.50 | 9.20 |
| P/E Ratio (net) (*) | 10.40 | 10.50 | 10.37 | 10.44 | 10.32 | 10.48 | 13.51 |
| Total bargains (Est.) | 18,571 | 18,060 | 19,986 | 20,319 | 16,826 | 18,953 | 22,239 |
| Equity turnover £m. | — | 247.98 | 281.35 | 402.82 | 279.53 | 275.16 | 194.19 |
| Equity bargains | — | 15,946 | 19,681 | 22,289 | 14,922 | 13,639 | 19,869 |
| *Shares traded (ml)* | — | 140.0 | 147.1 | 217.0 | 141.8 | 127.5 | 124.5 |

10 am 851.5. 11 am 850.4. Noon 849.2. 1 pm 848.6. 2 pm 848.2. 3 pm 843.3.

Basis 100 Govt. Secs. 15/1/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/9/55. SE Activity 1974.

Latest Index 01-248 8026.

* Nil=9.96.

† Corrected.

### HIGHS AND LOWS

| — | 1984 High | 1984 Low | Since Compilat'n High | Since Compilat'n Low |
|---|---|---|---|---|
| Govt. Secs | 83.77 (9/1) | 75.72 (30/7) | 127.4 (9/1/35) | 49.48 (3/1/75) |
| Fixed Int | 87.48 (14/5) | 80.43 (30/7) | 155.4 (28/11/47) | 50.53 (3/1/75) |
| Ind. Ord. | 922.8 (3/5) | 755.3 (23/7) | 922.8 (3/5/84) | 49.4 (26/6/40) |
| Gold Mines | 711.7 (8/3) | 485.7 (1/8) | 734.7 (15/2/83) | 43.5 (26/10/71) |

### S.E. ACTIVITY

| | Aug. 14 | Aug 13 |
|---|---|---|
| Daily Gilt Edged Bargains | 165.0 | 156.2 |
| Equities Bargains | 109.8 | 127.6 |
| Value | 501.2 | 568.7 |
| 5-day Average Gilt Edged Bargains | 177.8 | 179.4 |
| Equities Bargains | 113.4 | 110.3 |
| Value | 501.0 | 600.5 |

## FT-ACTUARIES SHARE INDICES

**These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries**

| | EQUITY GROUPS & SUB-SECTIONS<br>Figures in parentheses show number of stocks per section | Wed Aug 15 1984 Index No. | Day's Change % | Est. Earnings Yield% (Max.) | Gross Div. Yield% (ACT at 30%) | Est. P/E Ratio (Net) | Tues Aug 14 Index No. | Mon Aug 13 Index No. | Fri Aug 10 Index No. | Thurs Aug 9 Index No. | Year ago (approx.) Index No. |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | CAPITAL GOODS (204) | 505.30 | −0.5 | 10.82 | 3.87 | 12.51 | 507.84 | 505.96 | 505.78 | 495.31 | 488.76 |
| 2 | Building Materials (23) | 457.12 | −0.9 | 14.04 | 5.24 | 8.78 | 461.15 | 462.11 | 464.10 | 457.14 | 434.64 |
| 3 | Contracting, Construction (30) | 673.62 | −0.3 | 14.53 | 5.61 | 8.78 | 675.35 | 672.58 | 678.98 | 660.54 | 740.79 |
| 4 | Electricals (14) | 1550.74 | +0.5 | 10.38 | 4.80 | 11.97 | 1542.84 | 1531.95 | 1515.65 | 1500.05 | 1810.30 |
| 5 | Electronics (31) | 1823.50 | −0.5 | 8.83 | 2.25 | 15.80 | 1832.71 | 1859.68 | 1858.33 | 1796.44 | 0.0 |
| 6 | Mechanical Engineering (62) | 249.12 | −0.8 | 11.45 | 4.93 | 10.68 | 251.13 | 248.00 | 246.68 | 243.27 | 286.63 |
| 8 | Metals and Metal Forming (9) | 185.07 | +0.4 | 12.66 | 7.87 | 9.90 | 184.42 | 184.71 | 180.88 | 178.66 | 186.98 |
| 9 | Motors (18) | 120.76 | +0.2 | 10.36 | 5.46 | — | 120.49 | 118.84 | 119.96 | 118.07 | 119.61 |
| 10 | Other Industrial Materials (17) | 674.64 | −0.6 | 6.95 | 3.63 | 17.84 | 678.82 | 665.18 | 657.39 | 645.66 | 551.72 |
| 21 | CONSUMER GROUP (195) | 515.11 | −0.3 | 10.80 | 4.95 | 11.41 | 516.53 | 516.22 | 521.84 | 510.80 | 443.18 |
| 22 | *Brewers and Distillers (23)* | 515.70 | −1.3 | 12.66 | 4.91 | 9.66 | 522.46 | 516.89 | 521.26 | 518.37 | 468.82 |
| 25 | Food Manufacturing (22) | 390.18 | −0.4 | 14.36 | 5.60 | 8.60 | 391.60 | 391.43 | 395.77 | 392.70 | 340.51 |
| 26 | Food Retailing (12) | 1195.77 | −0.4 | 7.35 | 2.68 | 17.91 | 1200.95 | 1195.44 | 1218.97 | 1190.55 | 929.11 |
| 27 | Health and Household Products (9) | 863.69 | −0.7 | 3.74 | 2.80 | 28.89 | 869.38 | 869.33 | 872.98 | 847.00 | 826.10 |
| 29 | Leisure (23) | 592.48 | — | 9.17 | 5.15 | 14.23 | 592.47 | 589.11 | 589.80 | 572.74 | 585.09 |
| 32 | Newspapers, Publishing (13) | 1293.20 | +0.5 | 8.24 | 4.23 | 15.21 | 1286.65 | 1283.46 | 1278.33 | 1262.21 | 965.83 |
| 33 | Packaging and Paper (15) | 243.23 | +0.5 | 14.48 | 5.67 | 7.99 | 242.12 | 241.06 | 238.57 | 232.72 | 194.53 |
| 34 | *Stores (46)* | 434.66 | −0.8 | 9.77 | 4.11 | 13.64 | 438.13 | 443.77 | 452.04 | 444.75 | 396.86 |
| 35 | Textiles (19) | 267.43 | +0.1 | 13.77 | 5.00 | 8.42 | 267.16 | 264.06 | 265.43 | 258.83 | 218.73 |
| 36 | Tobaccos (3) | 708.66 | +2.4 | 15.83 | 5.14 | 7.13 | 691.93 | 690.28 | 696.95 | 683.37 | 419.26 |
| 39 | Other Consumer (8) | 467.13 | +1.3 | 14.38 | 4.64 | — | 460.97 | 460.62 | 454.74 | 447.05 | 416.76 |
| 41 | OTHER GROUPS (86) | 456.51 | −0.2 | 10.65 | 4.69 | 11.75 | 457.38 | 454.26 | 453.77 | 445.88 | 397.97 |
| 42 | Chemicals (17) | 602.37 | −0.5 | 14.63 | 5.23 | 8.72 | 605.65 | 599.58 | 601.79 | 590.45 | 551.37 |
| 44 | Office Equipment (4) | 133.22 | +0.3 | 8.59 | 5.76 | 13.21 | 132.76 | 133.25 | 133.37 | 130.81 | 119.02 |
| 45 | Shipping and Transport (13) | 865.56 | −0.1 | 8.69 | 7.81 | 15.34 | 866.43 | 858.66 | 858.05 | 855.40 | 718.02 |
| 46 | Miscellaneous (52) | 637.62 | — | 8.32 | 3.65 | 14.60 | 637.62 | 634.44 | 631.47 | 619.57 | 539.41 |
| 49 | INDUSTRIAL GROUP (483) | 508.57 | −0.3 | 10.53 | 4.26 | 11.79 | 510.26 | 508.92 | 511.23 | 501.20 | 452.92 |
| 51 | Oils (17) | 1062.18 | +0.1 | 14.06 | 6.53 | 8.84 | 1060.97 | 1043.48 | 1056.39 | 1024.47 | 1060.74 |
| 59 | 500 SHARE INDEX (500) | 554.94 | −0.3 | 11.18 | 4.63 | 11.18 | 556.38 | 553.66 | 556.87 | 545.08 | 503.98 |
| 61 | FINANCIAL GROUP (120) | 381.36 | — | — | 5.81 | — | 381.58 | 382.14 | 383.97 | 379.86 | 340.86 |
| 62 | Banks (6) | 357.79 | −0.7 | 24.02 | 8.68 | 5.19 | 360.20 | 360.22 | 370.25 | 364.34 | 355.37 |
| 63 | Discount Houses (6) | 433.22 | +0.3 | — | 7.06 | — | 431.97 | 433.10 | 438.17 | 434.93 | 289.52 |
| 65 | Insurance (Life) (9) | 524.02 | +0.7 | — | 5.08 | — | 520.52 | 522.58 | 519.70 | 513.85 | 491.39 |
| 66 | Insurance (Composite) (9) | 272.25 | — | — | 6.54 | — | 272.30 | 272.21 | 273.07 | 271.45 | 240.49 |
| 67 | Insurance (Brokers) (6) | 823.65 | +1.2 | 9.02 | 4.10 | 15.53 | 813.75 | 810.81 | 809.37 | 807.39 | 561.41 |
| 68 | Merchant Banks (12) | 205.36 | +1.0 | — | 4.99 | — | 203.28 | 204.95 | 201.07 | 198.81 | 199.06 |
| 69 | Property (53) | 588.74 | −0.6 | 5.46 | 3.63 | 24.69 | 592.31 | 591.82 | 592.42 | 586.14 | 457.09 |
| 70 | Other Financial (19) | 253.06 | — | 11.39 | 5.45 | 10.64 | 252.93 | 255.18 | 254.81 | 251.89 | 251.02 |
| 71 | Investment Trusts (104) | 511.83 | +0.1 | — | 3.68 | — | 511.33 | 511.27 | 506.60 | 499.16 | 458.37 |
| 81 | Mining Finance (4) | 279.18 | −1.4 | 10.06 | 5.37 | 12.75 | 283.05 | 278.71 | 283.98 | 275.26 | 324.92 |
| 91 | Overseas Traders (14) | 560.14 | +0.2 | 10.34 | 6.91 | 11.98 | 559.19 | 557.96 | 561.65 | 559.38 | 496.45 |
| 99 | ALL-SHARE INDEX (742) | 511.88 | −0.2 | — | 4.81 | — | 512.23 | 510.30 | 512.88 | 503.02 | 464.37 |
| | | Index No. | Day's Change | Day's High | Day's Low | | | | | | |
| | FT-SE 100 SHARE INDEX | 1082.9 | −8.9 | 1092.7 | 1082.1 | — | 1091.8 | 1084.1 | 1095.7 | 1078.4 | 0.0 |

### FIXED INTEREST

| | PRICE INDICES | Wed Aug 15 | Day's change % | Tues Aug 14 | xd adj. today | xd adj. 1984 to date |
|---|---|---|---|---|---|---|
| | British Government | | | | | |
| 1 | 5 years | 116.45 | −0.31 | 116.80 | — | 7.88 |
| 2 | 5–15 years | 128.27 | −0.52 | 128.95 | — | 8.42 |
| 3 | Over 15 years | 135.77 | −0.65 | 136.66 | — | 9.37 |
| 4 | Irredeemables | 147.68 | −0.37 | 148.23 | — | 7.27 |
| 5 | All stocks | 126.98 | −0.47 | 127.58 | — | 8.11 |
| 6 | Debentures & Loans | 104.67 | +0.70 | 103.93 | — | 6.70 |
| 7 | Preference* | 75.75 | +0.07 | 75.70 | — | 3.78 |
| | *BRITISH GOVERNMENT INDEX-LINKED STOCKS* | | | | | |
| 8 | All stocks | 101.73 | −0.16 | 101.90 | — | 1.74 |

| | AVERAGE GROSS REDEMPTION YIELDS | | Wed Aug 15 | Tues Aug 14 | Year ago (approx.) |
|---|---|---|---|---|---|
| | British Government | | | | |
| 1 | Low | 5 years | 11.05 | 10.92 | 10.09 |
| 2 | Coupons | 15 years | 10.63 | 10.55 | 10.55 |
| 3 | | 25 years | 10.20 | 10.10 | 10.18 |
| 4 | Medium | 5 years | 11.70 | 11.57 | 11.81 |
| 5 | Coupons | 15 years | 11.01 | 10.92 | 11.27 |
| 6 | | 25 years | 10.42 | 10.34 | 10.59 |
| 7 | High | 5 years | 11.70 | 11.57 | 11.90 |
| 8 | Coupons | 15 years | 11.20 | 11.12 | 11.46 |
| 9 | | 25 years | 10.48 | 10.41 | 10.71 |
| 10 | Irredeemables | † | 10.06 | 10.02 | 10.09 |
| 11 | Debs & | 5 years* | 12.51 | 12.62 | 12.46 |
| 12 | Loans | 15 years* | 12.29 | 12.40 | 12.36 |
| 13 | | 25 years* | 12.07 | 12.18 | 12.28 |
| 14 | Preference* | † | 13.13 | 13.14 | 12.79 |
| 15 | Inflation rate | 5% | 3.77 | 3.76 | 3.94 |
| 16 | | 10% | 3.59 | 3.58 | 3.16 |

†Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 28p.

* Corrected yields appear, for August 14, in today's table. For August 13, the corrected yields and Pref. Index are as follows: Debs. 5 yrs.—12.64, 15 yrs.—12.41, 25 yrs.—12.19, Pref. yield—13.15 and Pref. Index—75.63.

### EUROPEAN OPTIONS EXCHANGE

| Series | | Vol. | Last | Vol. | Last | Vol. | Last | Stock |
|---|---|---|---|---|---|---|---|---|
| | | Aug. | | Nov. | | Feb. | | |
| GOLD C | $325 | 95 | 29 A | — | — | — | — | $351.60 |
| GOLD C | $350 | 243 | 5.10 | 23 | 20 | 6 | 31 | " |
| GOLD C | $375 | — | — | 20 | 9.70 | 12 | 19 A | " |
| GOLD C | $400 | 4 | 0.10 | 16 | 4.40 | 62 | 9.50 A | " |
| GOLD P | $325 | 35 | 0.10 | 32 | 2.80 B | 20 | 5.90 | " |
| GOLD P | $350 | 14 | 3.40 | 39 | 10 | — | — | " |
| GOLD P | $375 | 6 | 23 B | — | — | — | — | " |
| | | Sept. | | Dec. | | Mar. | | |
| SILVER C | $7 | — | — | — | — | 1 | 1.65 | $7.94 |
| SILVER C | $8 | 2 | 0.25 | 1 | 0.75 A | — | — | " |
| SILVER C | $9 | — | — | 3 | 0.30 | 3 | 0.45 | " |
| SILVER C | $10 | — | — | 33 | 0.10 | 30 | 0.30 | " |
| SILVER C | $11 | — | — | 4 | 0.05 | — | — | " |
| SILVER P | $7 | — | — | — | — | 1 | 0.25 | " |
| $/FL C | $315 | 5 | 9.20 B | — | — | — | — | $324.65 |
| $/FL C | $320 | 14 | 5.50 | — | — | — | — | " |
| $/FL C | $325 | 18 | 3.70 B | — | — | — | — | " |
| $/FL C | $330 | 18 | 1.80 | 2 | 4.30 | — | — | " |
| $/FL P | $300 | — | — | 5 | 3.80 | — | — | " |
| $/FL P | $305 | — | — | 25 | 4 | — | — | " |
| $/FL P | $310 | 50 | 1.50 | 20 | 6 | — | — | " |
| $/FL P | $315 | 476 | 2.30 | 166 | 7.80 A | — | — | " |
| $/FL P | $325 | 8 | 6.60 | 8 | 12 B | — | — | " |
| £/$ C | £135 | — | — | 500 | 2.40 | — | — | £132.07 |
| | | Oct. | | Jan. | | Apr. | | |
| ABN C | F.320 | 49 | 6.50 | 6 | 11 A | — | — | F.301.50 |
| ABN P | F.300 | 46 | 6.80 | 60 | 10 | 2 | 11.50 B | " |
| AEGN C | F.130 | — | — | 9 | 4 | 10 | 6.50 | F.118.50 |
| AH C | F.200 | 5 | 6.10 | — | — | — | — | F.193 |
| AKZO C | F.90 | 277 | 5.30 | 102 | 8.60 | 28 | 10.80 | F.90.00 |
| AKZO C | F.100 | 317 | 2.70 | 206 | 4.60 | 51 | 6.80 | " |
| AKZO C | F.110 | 246 | 1.10 | — | — | — | ... | " |
| AKZO P | F.90 | 416 | 4.20 | 37 | 7.50 B | 33 | 8 | " |
| AMRO C | F.55 | 24 | 3 B | 13 | 3.90 | 2 | 5.60 B | F.53 |
| AMRO P | F.50 | 257 | 1.50 | 3 | 2 | — | — | " |
| GIST C | F.150 | 238 | 8 | 15 | 12 | — | — | F.152.50 |
| GIST P | F.140 | 19 | 2 | — | — | — | — | " |
| HEIN C | F.140 | 38 | 4.60 | 11 | 7 | 1 | 9 | F.136.50 |
| HEIN P | F.130 | 28 | 3.40 | — | — | — | — | " |
| HOOG C | F.48.20 | 238 | 7.50 | — | — | — | — | F54.50 |
| HOOG C | F.53.20 | 386 | 4.10 | — | — | — | — | " |
| HOOG C | F.60 | — | — | 246 | 3.20 B | — | — | " |
| HOOG P | F.53.20 | 94 | 3.70 | — | — | — | — | " |
| KLM C | F.180 | 117 | 8.50 | 6 | 14.50 | 14 | 19 | F.178.50 |
| KLM P | F.180 | 129 | 8.50 B | — | — | — | — | " |
| *NEDL C* | F.130 | 18 | 1 | — | — | — | — | F.106.50 |
| NATN C | F.230 | 01 | 3.40 | 170 | 5.50 | — | — | F.222.50 |
| NATN P | F.200 | — | — | 100 | 2.70 B | — | — | " |
| PHIL C | F.40 | 266 | 9.10 | 155 | 9.60 | 5 | 10.50 | F.48.90 |
| PHIL C | F.45 | 316 | 4.80 | 166 | 5.70 | 53 | 7 | " |
| PHIL P | F.50 | 1715 | 2 | 3.90 | 3 | 81 | 4 | " |
| PHIL P | F.50 | 413 | 2.50 | 48 | 3.70 | 5 | 3.80 | " |
| PHO C | F.40.90 | 68 | 8.30 | — | — | — | — | " |
| PHO P | F.40.90 | 10 | 0.30 | — | — | — | — | " |
| RD C | F.150 | 311 | 8.50 | 28 | 11.50 | — | — | F.157 |
| RD P | F.150 | 271 | 3.70 A | 50 | 6.70 | 13 | 9 | " |
| RD C | F.170 | 230 | 1.60 | 137 | 3.90 | — | — | " |
| RD C | F.150 | 161 | 3.60 | 1 | 5.80 | — | — | " |
| UNIL C | F.280 | 35 | 3.10 | 5 | 5.50 | — | — | F.266 |
| UNIL P | F.260 | 11 | 4.20 | — | — | — | — | " |

TOTAL VOLUME IN CONTRACTS: 15,051

A=Ask B=Bid C=Call P=Put

## RECENT ISSUES

### EQUITIES

| Issue price | Amount paid up | Latest Renunc. date | 1984 High | 1984 Low | Stock | Closing price | + or − | Net Div. | Times covered | Gross Yield | P/E Ratio |
|---|---|---|---|---|---|---|---|---|---|---|---|
| §95 | F.P. | 31/8 | 110 | 105 | ✤Alphameric 5p | 107 | ... | 0.7 | 5.2 | 0.9 | 29.3 |
| 110 | F.P. | 31/8 | 88 | 82 | Amari | 85 | ... | bg4.8 | 2.6 | 8.1 | 6.8 |
| 270 | F.P. | 10/8 | 275 | 192 | *Assoc Brit Ports* | 200 | +5 | 8.5 | 2.9 | 6.1 | 7.5 |
| §85 | F.P. | 7/9 | 102 | 96 | ✤Berkeley Grp. | 100 | ... | u3.6 | 2.6 | 5.1 | 10.7 |
| §75 | F.P. | 7/9 | 89 | 81 | ✤Blue Arrow | 82 | +1 | bg1.2 | 5.8 | 2.1 | 10.9 |
| §62½ | F.P. | 15/8 | 86 | 85 | ✤Britannia Sec G 10p | 86 | +4 | u1.0 | 3.8 | 1.7 | 17.5 |
| §88 | F.P. | 17/8 | 92 | 73 | ✤Bush Radio 10p | 81 | ... | bg1.0 | 4.5 | 1.8 | 18.7 |
| ¶120 | F.P. | 23/8 | 136 | 123 | ✤Compsoft Hdgs. 5p | 135 | ... | g1.5 | 3.0 | 1.7 | 26.2 |
| §135 | F.P. | 5/8 | 180 | 137 | ✤DDT Group 5p | 180 | +15 | u1.0 | 5.9 | 0.8 | 25.8 |
| ** | F.P. | — | £35½ | £35⅛ | Derwent ValleyHgs.£1 | £35⅛ | ... | — | — | — | — |
| ¶185 | 100 | 12/9 | 106 | 92 | Enterprise Oil | 97 | ... | b7.0 | 3.2 | 6.5 | 9.2 |
| 58 | F.P. | 31/8 | 50 | 48 | ✤*EntertainProdSer5p* | 49 | ... | b2.25 | 2.1 | 6.6 | 8.6 |
| ‖ | F.P. | 31/8 | 100 | 85 | Falcon Res. 20p | 100 | +10 | — | — | — | — |
| §53 | F.P. | 3/8 | 38 | 31 | ✤Gee-Rosen 5p | 34 | +3 | u1.5 | 1.6 | 6.3 | 13.0 |
| 160 | F.P. | 24/9 | 220 | 185 | Great Western Res. ‖ | 195 | ... | — | — | — | — |
| ‖ | F.P. | — | £14 | £13½ | Inv. AB Beijer 'A'SK.50 | £14 | ... | 7.0 | b3.5 | 2.3 | 17.3 |
| 165 | F.P. | 28/9 | 181 | 176 | Jaguar | 178 | −1 | b7.75 | 2.8 | 6.2 | 7.5 |
| §100 | F.P. | 17/8 | 116 | 100 | ✤Mayfair & City Prop | 110 | ... | bg3.0 | 1.2 | 3.9 | 32.4 |
| ** | F.P. | — | 48 | 28 | MurrayVenturesWrrts | 30 | ... | — | — | — | — |
| §214 | F.P. | — | 278 | 242 | PWS Intnl. 10p | 275 | ... | 9.0 | 2.7 | 4.7 | 10.2 |
| §60 | F.P. | 22/8 | 62 | 48 | ✤Pacific Sales 10p | 48 | ... | b2.4 | 2.2 | 7.1 | 7.3 |
| 132 | F.P. | 16/8 | 152 | 128 | Sarasota Tech'gy 10p | 131 | ... | g1.9 | 4.1 | 2.1 | 16.9 |
| §380 | F.P. | 10/8 | 400 | 378 | ✤TDS Circuits 5p | 400 | ... | u4.9 | 5.5 | 1.8 | 23.3 |
| ‖ | F.P. | — | 260 | 200 | ✤Telecomputing 10p | 260 | ... | b1.0 | — | 0.6 | — |
| §56 | F.P. | 12/8 | 58 | 56 | ✤Tinsley (Eliza) 5p | 58 | ... | u2.69 | 2.4 | 7.1 | 6.6 |

### FIXED INTEREST STOCKS

| Issue price £ | Amount paid up | Latest Renunc. date | 1984 High | 1984 Low | Stock | Closing price £ | + or − |
|---|---|---|---|---|---|---|---|
| 100 | £30 | — | 33¼ | 30⅞ | *Amer. Brands 12⅛% Un. Ln. 2009* | 33⅛ | +¼ |
| §100 | £10 | 26/10 | 21 | 10½ | Cambridge Water 13% Red. Deb. 2004 | 20½ | ... |
| ** | F.P. | — | 92½p | 92p | Derwent Valley 10% Cum. Red. Pref. | 92p | −½ |
| §98.152 | £25 | 22/11 | 28¼ | 22 | Marley 11⅛% Deb. 2009 | 28¼ | +1 |
| — | F.P. | — | 100⅛ | 99½ | Nationwide 10¾% 24/6/85 | 99⅞ | +⅛ |
| — | F.P. | — | 100¼ | 99 | Do. 11¼% 15/7/85 | 100 | ... |
| — | F.P. | — | 100⅞ | 99⅞ | Do. 10¼% 5/8/85 | 100⅛ | +⅛ |
| 92.669 | £30 | 24/10 | 34⅜ | 27 | New Zealand 11½% 2014 | 34¼ | ... |
| §100 | £10 | 5/9 | 13½ | 10½ | Portsmouth Water 13% Red. Deb. 1994 | 13½ | ... |
| ‖ | F.P. | 10/9 | 95 | 95 | TR Energy 8% Cnv. Uns. Ln. '97-2001 | 95 | ... |
| §100 | £10 | 27/9 | 13½ | 10½ | York Waterworks 13% Red.Deb. 1994 | 13½ | ... |

### "RIGHTS" OFFERS

| Issue price | Amount paid up | Latest Renunc. date ■ | 1984 High | 1984 Low | Stock | Closing price | + or − |
|---|---|---|---|---|---|---|---|
| 60 | F.P. | 29/8 | 82 | 66 | Anvil Pet. 20p | 78 | +1 |
| †133 | Nil | 20/9 | 4pm | ¾pm | ✤Applied Botanics Units | 4pm | ... |
| A83.7 | Nil | 21/9 | 73pm | 45pm | ANZ A$1 | 70pm | +2 |
| 11 | F.P. | 21/9 | 12½ | 11 | Bluemel Bros. | 11 | ... |
| A$7.5 | F.P. | 2/5 | 765 | 489 | *Broken Hill Prop. A$2* | 665 | +10 |
| 260 | F.P. | 14/9 | 378 | 302 | Brown Shipley £1 | 378 | ... |
| 85 | Nil | 14/9 | 15pm | 5pm | Falcon Res. 20p | 13pm | +3 |
| 235 | F.P. | 28/9 | 283 | 237 | Hill Samuel | 278 | +5 |
| 4 | Nil | 14/9 | ½pm | ⅛pm | LOFS Pfd. Ord. 1p | ½pm | −¼ |
| 200 | Nil | 7/11 | 290pm | 265pm | NatWest Bank £1 | 265pm | −15 |
| 90 | Nil | 28/9 | 25pm | 20pm | Norton Opax 10p | 20pm | −3 |
| A$4 | A$2 | — | 270pm | 132pm | Santos A0.25c | 270pm | +4 |
| 370 | F.P. | 10/8 | 443 | 379 | Thorn EMI | 443 | +6 |
| 192 | Nil | 12/10 | 72pm | 60pm | *Unitech 10p* | 70pm | +7 |
| 375 | F.P. | 7/9 | 443 | 429 | Waddington (J.) | 443 | +3 |

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimates. *d* Dividend rate paid or payable on part of capital; cover based on dividend on full capital. *g* Assumed dividend and yield. *u* Forecast dividend cover based on previous year's earnings. C Canadian. F Dividend and yield based on prospectus or other official estimates for 1984. H Dividend and yield based on prospectus or other official estimates for 1983-84. Q Gross. *p* Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or takeover. ■ Allotment letters (or fully-paid). ‖‖ Introduction. ✤ Unlisted Securities Market. § Placing price. † Units comprising 6 Ord. £1 nom 12 per cent Cnv.Uns.Ln. 95/2000.

## NEW HIGHS AND LOWS FOR 1984

### NEW HIGHS (50)

AMERICANS (2)
Aridtech
SCA Services

BREWERS (1)
Moray Firth Malt'gs

BUILDINGS (4)
Brown & Jackson
Tilbury Group
Ibstock Johnsen
Trent Hldgs.

STORES (1)
Henriques (A.)

ELECTRICALS (2)
Gray Electronics
Godwin Warren Cont.

ENGINEERING (3)
Braham Millar
Saville Gordon
Renold

FOODS (3)
Hunter Saphir
Needlers
Low (Wm.)

HOTELS (1)
Garfunkels Restrnts.

INDUSTRIALS (9)
Cowan de Groot
Reed International
Gripperrods
Ropner
Hollis Bros.
Do. A
Kleen-E-Ze
Stonehill
Ramco Oil Services

INSURANCE (5)
Bryant (Derek)
Stewart Wrightson
London United
Willis Faber
Sedgwick

MOTORS (3)
Volvo
Adams & Gibbon
Airflow Streamlines

NEWSPAPERS (1)
Internatl. Thomson

PROPERTY (10)
Allied London
McKay Sec.
Daejan
Mountview Ests.
Fairview Estates
Peel Hldgs.
Imry Property
Samuel Properties
Lend Lease
United Real Prop.

TOBACCOS (1)
BAT Inds.

TRUSTS (2)
Anglo Scottish
Cambrian Genl. Cap.

MINES (2)
East Rand Cons.
Kamunting

### NEW LOWS (12)

BANKS (1)
Cattle's

STORES (1)
Boardman (K. O.)

ELECTRICALS (1)
Cass

FOODS (1)
Northern Foods

INDUSTRIALS (2)
Barham
Baynes (Charles)

SOUTH AFRICANS (1)
Messina

TEXTILES (2)
Munton Bros.
Stroud Riley Drum.

OILS (2)
Caledonian Offshore
North South Resrcs.

MINES (1)
Swan Resources

## OPTIONS

| First Dealings | Last Dealings | Last Declaration | For Settlement |
|---|---|---|---|
| Aug 6 | Aug 17 | Nov 8 | Nov 19 |
| Aug 20 | Aug 31 | Nov 22 | Dec 3 |
| Sept 10 | Sept 21 | Dec 6 | Dec 17 |

*For rate indications see end of Share Information Service.*

Call options were arranged in Combined Technologies, Eglinton Oil and Gas, Stewart Nairn, Bula, Brunswick, Cultus Pacific, Atlantic Resources, Dares Estates, Associated British Ports, IMI, Sangers, BOC, Ward White, 600 Group, Davy Corporation, North Kalgurli, Bowater, Berkeley and Hay Hill, James Wilkes, Immediate Business Systems and I. & J. Hyman. No puts were reported, but a double was struck in Dares Estates.

## RISES AND FALLS YESTERDAY

| | Rises | Falls | Same |
|---|---|---|---|
| British Funds | 1 | 98 | 5 |
| Corpns Dom & Foreign Bonds | 16 | 4 | 59 |
| Industrials | 338 | 177 | 899 |
| Financial & Props | 134 | 47 | 343 |
| Oils | 29 | 20 | 73 |
| Plantations | 2 | 1 | 15 |
| Mines | 64 | 27 | 86 |
| Others | 41 | 92 | 107 |
| Totals | 623 | 466 | 1,587 |

## ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

| Stock | Closing price | Day's change |
|---|---|---|
| BSR Intl. | 165 | −28 |
| Bibby (J.) | 220 | −13 |
| Brooke Bond | 113 | + 4 |
| Charter Cons. | 257 | +11 |
| Evode | 119 | +10 |
| General Accident | 455 | — |
| *Grand Metropolitan* | 302 | −16 |
| ICI | 596 | − 6 |
| Jaguar New | 178 | + 1 |
| NatWest Bank | 467 | −16 |
| Rivlin (I.D.&S.) | 104 | + 2 |
| Superdrug Stores | 308 | +10 |

## TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

| *Stock* | *No. of changes* | *Tues. close* | *Day's change* |
|---|---|---|---|
| NatWest Bank† | 19 | 280pm | — |
| Lex Service | 17 | 333 | +13 |
| Davy Corp | 15 | 84 | +11 |
| Woolworth | 15 | 523 | − 7 |
| BOC | 14 | 242 | +12 |
| BTR | 14 | 485 | +15 |
| Distillers | 14 | 300 | + 9 |
| Euro Ferries | 14 | 108½ | + 3½ |
| Falcon Rest | 14 | 5pm | — |
| Premier Cons | 13 | 63 | + 5 |
| BAT Inds | 12 | 258 | + 1 |
| Com Union | 11 | 186 | − 3 |
| Hawker Sid | 11 | 443 | +14 |
| ICI | 11 | 602 | + 2 |

† Nil-paid

## LONDON TRADED OPTIONS

| Option | | Calls Oct. | Calls Jan. | Calls Apr. | Puts Oct. | Puts Jan. | Puts Apr. |
|---|---|---|---|---|---|---|---|
| B.P. (*481) | 420 | 73 | 80 | 85 | 5 | 13 | 18 |
| | 460 | 35 | 47 | 55 | 15 | 23 | 32 |
| | 500 | 13 | 28 | 35 | 37 | 47 | 53 |
| | 550 | 5 | 8 | — | 77 | 82 | — |
| Cons Gold (*519) | 460 | 70 | 88 | 87 | 7 | 15 | 20 |
| | 500 | 40 | 52 | 62 | 25 | 32 | 40 |
| | 550 | 18 | 28 | 37 | 47 | 57 | 65 |
| | 600 | 7 | 16 | — | 90 | 97 | — |
| | 650 | 2 | 8 | — | 157 | 145 | — |
| Courtaulds (*123) | 110 | 17 | 19 | 22 | 3 | 5 | 6 |
| | 120 | 10 | 12 | 14 | 5 | 9 | 11 |
| | 130 | 5 | 8 | 10 | 11 | 14 | 16 |
| | 140 | 2 | 5 | — | 19 | 21 | — |
| | 160 | 1 | 3 | — | 38 | 39 | — |
| Com. Union (*183) | 160 | 31 | — | — | 3 | — | — |
| | 180 | 16 | 23 | 29 | 8 | 13 | 15 |
| | 200 | 8½ | 14 | 17 | 20 | 26 | 29 |
| | 220 | 5 | 8 | 12 | 39 | 43 | 46 |
| | 240 | 3 | — | — | 58 | — | — |
| G.E.C. (*206) | 160 | 52 | 56 | 60 | 2 | 2 | 3 |
| | 180 | 32 | 38 | 42 | 3 | 6 | 9 |
| | 200 | 14 | 22 | 28 | 8 | 14 | 16 |
| | 220 | 4 | 11 | 16 | 20 | 24 | 28 |
| Grand Met. (*306) | 275 | 36 | — | — | 3 | — | — |
| | 280 | — | 42 | 46 | — | 7 | 12 |
| | 300 | 16 | 22 | 30 | 9 | 18 | 26 |
| | 330 | 6 | 10 | 16 | 34 | 38 | 46 |
| | 360 | 2 | 5 | — | 62 | 64 | — |
| I.C.I. (*594) | 500 | 104 | 108 | 112 | 2 | 3 | 7 |
| | 550 | 56 | 60 | 68 | 5 | 11 | 16 |
| | 600 | 22 | 36 | 42 | 22 | 28 | 36 |
| | 650 | 5 | 16 | — | 58 | 62 | — |
| Land Sec. (*290) | 240 | 53 | — | — | 1 | — | — |
| | 260 | 35 | 40 | 46 | 3 | 6 | 9 |
| | 280 | 18 | 24 | 30 | 8 | 13 | 12 |
| | 300 | 7 | 12 | 18 | 19 | 26 | 30 |
| Marks & Sp. (*110) | 100 | 15 | 20 | 25 | 2 | 3 | 5 |
| | 110 | 9 | 13 | 16 | 6 | 8 | 12 |
| | 120 | 4 | 6 | 9 | 14 | 16 | 19 |
| | 130 | 2½ | 4 | — | 22 | 23 | — |
| | 140 | 1½ | — | — | 31 | — | — |
| Shell Trans. (*618) | 560 | 78 | 83 | 90 | 4 | 16 | 23 |
| | 600 | 33 | 38 | 47 | 20 | 32 | 40 |
| | 650 | 12 | 20 | 25 | 53 | 57 | 65 |
| | 700 | 4 | 7 | — | 93 | 97 | — |

| Option | | Calls Aug. | Calls Nov. | Calls Feb. | Puts Aug. | Puts Nov. | Puts Feb. |
|---|---|---|---|---|---|---|---|
| Barclays (*454) | 420 | 37 | 50 | 60 | 2 | 7 | 11 |
| | 460 | 7 | 25 | 35 | 12 | 20 | 32 |
| | 500 | 1 | 11 | 18 | 50 | 55 | 57 |
| | 550 | 1 | 3 | — | 100 | 100 | — |
| | 600 | 1 | — | — | 150 | — | — |
| Imperial Gp. (*162) | 130 | 34 | — | — | 1 | — | — |
| | 140 | 24 | 27 | 30 | 1 | 3 | 4 |
| | 160 | 5 | 10 | 14 | 3 | 8 | 10 |
| | 180 | 1½ | 5 | 8 | 18 | 20 | 23 |
| LASMO (*285) | 260 | 30 | 47 | 57 | 1½ | 8 | 15 |
| | 280 | 17 | 33 | 45 | 5 | 18 | 25 |
| | 300 | 5 | 20 | 30 | 18 | 30 | 35 |
| | 330 | 2 | 12 | 18 | 47 | 52 | 57 |
| Lonrho (*152) | 120 | 34 | 36 | 38 | 0½ | 1½ | 2 |
| | 130 | 24 | 27 | 30 | 0½ | 2 | 3 |
| | 140 | 14 | 19 | 21 | 0¾ | 5 | 7 |
| | 160 | 2 | 8 | 9½ | 9 | 12 | 15 |
| P. & O. (*310) | 260 | 51 | 58 | — | 2 | 2 | — |
| | 280 | 32 | 38 | 45 | 2 | 5 | 7 |
| | 300 | 12 | 22 | 28 | 3 | 11 | 14 |
| | 330 | 2 | 11 | 16 | 20 | 25 | 29 |
| Racal (*232) | 180 | 54 | — | — | 1 | — | — |
| | 200 | 34 | 40 | 46 | 1 | 4 | 6 |
| | 220 | 14 | 22 | 30 | 2 | 7 | 13 |
| | 240 | 3 | 11 | 18 | 12 | 18 | 22 |
| R.T.Z. (*572) | 500 | 75 | 87 | 100 | 1½ | 7 | 16 |
| | 550 | 25 | 47 | 60 | 6 | 22 | 30 |
| | 600 | 4 | 30 | 38 | 35 | 45 | 57 |
| | 650 | 1½ | 10 | 25 | 82 | 87 | 92 |
| Vaal Reefs (*$105) | 90 | 12½ | 17½ | 20 | 0¾ | 3½ | 5 |
| | 100 | 4 | 10½ | 13½ | 2½ | 7 | 9½ |
| | 110 | 0¾ | 7 | 9½ | 9½ | 12½ | 15 |
| | 120 | 0½ | 3¾ | 6½ | 19 | 10½ | 22 |

| Option | | Calls Sep. | Calls Dec. | Calls Mar. | Puts Sep. | Puts Dec. | Puts Mar. |
|---|---|---|---|---|---|---|---|
| Beecham (*333) | 280 | 53 | 70 | 75 | 1½ | 2 | 4 |
| | 300 | 45 | 53 | 58 | 3 | 7 | 9 |
| | 330 | 22 | 33 | 40 | 11 | 18 | 20 |
| | 360 | 6 | 16 | 28 | 38 | 37 | 42 |
| Bass (*393) | 300 | 100 | — | — | 1 | — | — |
| | 330 | 70 | 75 | 80 | 1 | 4 | 6 |
| | 360 | 40 | 46 | 55 | 3 | 7 | 10 |
| | 390 | 14 | 22 | 33 | 8 | 16 | 20 |
| De Beers (*$5.98) | 500 | 110 | 120 | 130 | 6 | 18 | 18 |
| | 550 | 65 | 80 | 95 | 13 | 30 | 45 |
| | 600 | 34 | 50 | 70 | 30 | 50 | 75 |
| | 650 | 20 | 35 | 45 | 65 | 85 | 95 |
| | 700 | 5 | 20 | — | 110 | 120 | — |
| Guest Keen (*172) | 140 | 35 | 37 | 42 | 2 | 3 | 5 |
| | 160 | 16 | 19 | 25 | 4 | 8 | 11 |
| | 180 | 4 | 9 | 14 | 13 | 17 | 21 |
| | 200 | 2 | 5 | — | 29 | 33 | — |
| Hanson (*220) | 180 | 44 | 48 | — | 2 | 3 | — |
| | 187 | 38 | — | — | 3 | — | — |
| | 200 | 25 | 30 | 35 | 5 | 9 | 11 |
| | 220 | 10 | 15 | 20 | 10 | 15 | 19 |
| | 240 | 3 | 5 | — | 26 | 29 | — |
| Tesco (*180) | 140 | 41 | 45 | 49 | 1½ | 2½ | 4 |
| | 160 | 22 | 26 | 30 | 3 | 5 | 8 |
| | 180 | 7 | 11 | 16 | 9 | 12 | 15 |
| FT-S E Index (*1083) | 975 | 112 | 117 | 135 | 3 | 6 | 20 |
| | 1000 | 87 | 97 | 113 | 7 | 16 | 28 |
| | 1025 | 65 | 80 | 100 | 10 | 27 | 38 |
| | 1050 | 47 | 65 | 78 | 18 | 37 | 45 |
| | 1075 | 28 | 45 | 60 | 25 | 55 | 60 |
| | 1100 | 18 | 33 | 45 | 42 | 68 | 72 |

Aug. 15. Total Contracts 2,922. Calls 1,893, Puts 1,029

* Underlying security prices.

# FT LONDON SHARE INFORMATION SERVICE

## BRITISH FUNDS

### "Shorts" (Lives up to Five Years)

| 1984 High | Low | Stock | Price £ | + or − | Yield Int. | Red. |
|---|---|---|---|---|---|---|
| 100 13/32 | 99 25/32 | Treas 12pc 1984 | 99 31/32 | −1/32 | 12.00 | 11.30 |
| 105 5/8 | 101 5/8 | Treas. 15pc 1985 | 102 3/4 | −1/8 | 14.67 | 10.35 |
| 102 3/4 | 100 | Exch. 12pc Cnv. '85 | 100 7/8 | +1/16 | 11.90 | 10.37 |
| 95 1/8 | 93 5/16 | Treas 3pc 1985 | 94 11/16 | −1/8 | 3.17 | 10.37 |
| 102 7/8 | 99 1/2 | Treas 11 1/2pc 1985 | 100 7/8 | −1/16 | 11.40 | 10.42 |
| 99 1/4 | 96 5/8 | Treas 8 3/4pcCnv '85 | 98 1/2xd | −1/16 | 8.89 | 10.45 |
| 104 3/16 | 99 7/8 | Exch. 12 1/4pc 1985 | 101 13/16 | −1/16 | 12.02 | 10.47 |
| 103 13/16 | 99 3/16 | Exch. 11 3/4pc '86 | 101 7/16xd | −1/8 | 11.58 | 10.68 |
| 102 5/16 | 96 3/16 | Treas. 10pcCnv 1986 | 98 7/16 | −1/16 | 10.15 | 10.93 |
| 91 | 88 1/4 | Treas 3pc 1986 | 91 | ...... | 3.30 | 8.61 |
| 102 | 96 1/4 | Exch. 10 1/2pc Cv '86 | 99 1/4 | −1/8 | 10.58 | 10.93 |
| 104 3/16 | 99 3/16 | Treas 12pc 1986 | 101 3/16 | −1/16 | 11.83 | 11.06 |
| 98 1/4 | 93 1/2 | Treas 8 1/2pc 1984-86‡‡ | 95 7/8 | −1/4 | 12.78 | 10.94 |
| 108 13/16 | 102 7/16 | Exch. 14pc 1986 | 105 1/8 | −1/2 | 13.32 | 11.26 |
| 87 1/8 | 85 | Exch. 2 1/2pc 1986 | 86 5/8 | −1/4 | 2.89 | 9.15 |
| 107 13/16 | 100 13/16 | Exch. 13 1/4pc 1987 | 103 13/16 | −1/2 | 12.75 | 11.32 |
| 100 7/8 | 94 1/2 | Treas 10 1/4pcCv '87 | 97 13/16 | −1/8 | 10.49 | 11.32 |
| 86 1/8 | 83 1/4 | Exch 2 1/2pc 1987 | 85xd | −1/8 | 2.94 | 9.30 |
| 101 3/16 | 94 1/2 | Exch. 10 1/2pc 1987 | 97 13/16 | −1/8 | 10.72 | 11.40 |
| 92 1/2 | 87 | Funding 6 1/2pc '85-87‡‡ | [illegible] | [illegible] | [illegible] | [illegible] |

### Five to Fifteen Years

### Over Fifteen Years

### Undated

### Index-Linked

## INT. BANK AND O'SEAS GOVT STERLING ISSUES

## CORPORATION LOANS

## COMMONWEALTH AND AFRICAN LOANS

## LOANS

### Building Societies

### Public Board and Ind.

### Financial

## FOREIGN BONDS & RAILS

## AMERICANS

## CANADIANS

## BANKS, HP & LEASING

### Hire Purchase, Leasing, etc.

## BEERS, WINES & SPIRITS

## BEERS, WINES—Cont.

## BUILDING INDUSTRY, TIMBER AND ROADS

## CHEMICALS, PLASTICS

## DRAPERY AND STORES

## DRAPERY & STORES—Cont.

## ELECTRICALS

## ENGINEERING

## ENGINEERING—Continued

## FOOD, GROCERIES, ETC

## HOTELS AND CATERERS

## HOTELS—Continued

## INDUSTRIALS (Miscel.)

هكذا من الأصل

## INDUSTRIALS—Continued

| 1984 High | Low | Stock | Price | + or − | Div Net | C'vr | Y'ld Gr's | P/E |
|---|---|---|---|---|---|---|---|---|
| 95 | 65 | Marley | 74xd | | [illegible] | | | |
| 58½ | 40 | Marling Ind 10p | 52 | | | ◆ | 1.6 | ◆ |
| 46 | 29 | Marshall Loxley 'A' | 40 | | 1.2 | 3.6 | 4.1 | 7.1 |
| 54 | 12 | Marshall's Univ | 50 | | ◆H1.75 | | 5.0 | 15.0 |
| 40 | 25 | Martin Black | 22xd | | | | | |
| £106 | £88 | Mathesons 7¾% | £98 | | Q7¾% | 2.3 | 18.2 | |
| 378 | 287 | Metal Box £1 | 338 | +2 | 15.0 | 3.0 | 6.5 | 5.6 |
| 220 | 129 | Metal Closures | 186 | | 6.3 | 2.3 | 4.8 | 10.3 |
| 27 | 13 | Metal Sciences 2½p | 17 | +1 | | | | |
| 19 | 8 | Metalrax Jenkinson | 11 | | 0.01 | | | |
| 113 | 81 | Midland Marts | 95 | +1 | 4.0 | 1.8 | 6.1 | 11.8 |
| 64½ | 45 | Mitchell Cotts | 51½ | | 3.62 | 1.0 | 8.9 | 15.4 |
| 29 | 13 | Mobeo Grp 1p | 14 | | 0.5 | 2.5 | 5.1 | (8.8) |
| 168 | 132 | Morgan Crucible | 164 | +4 | 7.5 | 1.2 | 6.5 | (16.0) |
| 18 | 13½ | Morris (W) Fine Arts | 15½ | | bg0.25 | 4.0 | 2.3 | 14.2 |
| 95 | 80 | Moss (Robt.) 10p | 92 | −1 | 2.5 | 2.9 | 3.9 | 11.2 |
| 330 | 197 | NMW Computers | 300 | +5 | 6.0 | 3.0 | 2.9 | 16.7 |
| 65 | 47 | Nash Inds | 48xd | | 4.0 | 2.2 | 11.9 | 5.5 |
| 47 | 30 | Neil&Spencer10p | 39 | +1 | — | — | — | 16.8 |
| 33 | 16 | Newman Indusis | 21 | +1 | — | — | — | (21.8) |
| 31 | 16½ | Do. 10pc Cn. Cm. Pf. | 19½ | −½ | 10% | — | 7.3 | — |
| 67 | 43½ | Nolton | 53 | | 1.0 | 2.9 | 2.7 | 18.6 |
| 175 | 132 | Norcros | 159 | | 7.5 | 2.4 | 6.7 | 8.4 |
| 86 | 59 | Nu-Swift 5p | 66 | | — | — | — | 12.9 |
| 100 | 50 | Oakwood Grp | 65 | | ‡d6.5 | — | ‡ | — |
| 190 | 145 | Office & Elect | 165 | | 7.5 | 2.8 | 6.5 | 7.4 |
| 875 | 700 | Oriflame Intl SA | 778 | | Q53c | 2.2 | 5.7 | 8.7 |
| 46 | 25 | Overstone 12½c | 25 | | Q4.5c | 2.2 | 8.8 | 5.2 |
| £146 | £120 | Ozalid Fin. Cv. | £134 | | Q9% | — | 16.8 | — |
| 190 | 155 | PCT Grp 10p | 155 | | bg4.8 | ◆ | 4.3 | ◆ |
| £12⅝ | £12 | PLM 'B' Sk 25 | £12½ | | — | — | — | — |
| 207 | 148 | Parker Knoll 'A' | 148 | | 8.5 | 3.0 | 8.2 | 5.5 |
| 265 | 197 | Pauls | 210 | | 8.5 | 2.8 | 5.8 | 7.6 |
| 590 | 403 | Pearson | 553 | +5 | 14.0 | 2.7 | 3.6 | 12.7 |
| 35 | 21 | Peek Holdings | 21 | | — | — | — | — |
| 107 | 89 | Peerless | 102 | | 6.3 | .15 | 8.8 | (9.3) |
| 106 | 55 | Pentland 10p | 106 | | h1.74 | 2.4 | 2.3 | (20.2) |
| 26 | 17 | Pentos 10p | 24 | +1 | 8 | — | — | 42.5 |

## LEISURE—Continued

| 1984 High | Low | Stock | Price | + or − | Div Net | C'vr | Y'ld Gr's | P/E |
|---|---|---|---|---|---|---|---|---|
| 18 | 9 | Nimslo Int 10p | 10 | +1 | | | | |
| 137 | 104 | Norton Opax 10p | 113xd | | q3.0 | ◆ | 3.8 | ◆ |
| 31½ | 14¼ | Owners Abroad | 15¼ | | 0.75 | 6.1 | 7.0 | 2.7 |
| 66 | 35 | Photax (Lon.) | 44 | | | | | |
| 29½ | 21 | Pidn. Pdn. Gr. 5p | 21xd | | b1.88 | 1.6 | 12.8 | 10.8 |
| 130 | 73 | Pleasure Dm. St 10p | 80 | +5 | d3.5 | 4.0 | 2.7 | 10.1 |
| 420 | 285 | Pleasurama 5p | 312 | | 4.5 | 4.7 | 3.0 | 10.1 |
| 14¾ | 10½ | Pres. Entertain 10p | 14¼ | | bg0.4 | 2.0 | 3.9 | 18.7 |
| 158 | 75 | Radio City 'A' NV | 75 | | 5.6 | 1.9 | 10.7 | 6.9 |
| 70 | 55 | Radio Clyde NV | 55 | | 3.0 | 1.4 | 7.8 | 12.8 |
| 148 | 48 | Riley Leisure 10p | 64 | | 4.3 | 2.4 | 9.4 | 5.3 |
| 118 | 94 | Saga Hols. 20p | 100 | | 3.75 | 1.6 | 5.4 | 16.7 |
| 390 | 290 | Samuelson Grp £1 | 345 | | d12.0 | 2.7 | 5.0 | 10.7 |
| 27½ | 19 | Sangers Photo 10p | 20 | | bg1.25 | 1.8 | 8.9 | 9.0 |
| 164 | 98 | Scott. TV 'A' 10p | 158 | +2 | 8.1 | 2.9 | 7.3 | 7.4 |
| 285 | 186 | SeaCo Inc $0.125 | 265 | −10 | — | — | — | — |
| 35 | 18 | SelecTV 10p | 23 | | — | — | — | — |
| 37 | 24 | TSW 5p | 30 | +½ | 1.2 | 2.2 | 5.7 | 11.6 |
| 150 | 79 | TVS N-Vtg 10p | 136 | +6 | t2.0 | 5.5 | 2.1 | 11.2 |
| 30 | 22 | Television Svcs 10p | 24½ | | g0.2 | 3.7 | 1.2 | 33.5 |
| 90 | 60 | Tottenham Hotspur | 69 | | b4.0 | 1.9 | 8.3 | (13.8) |
| 161 | 120 | Trident TV 'A' 10p | 158 | | t5.5 | 1.8 | 5.0 | 15.6 |
| 168 | 100 | 21st Century Dest | 100 | | — | — | — | — |
| 197 | 135 | Tyne Tees TV 'A' £1 | 155 | | 8.25 | 2.4 | 7.6 | 8.0 |
| 83 | 53½ | Ulster TV N/V 'A' | 76 | +1 | h4.0 | 2.5 | 7.5 | 7.1 |
| 25½ | 17 | Webb (Jos.) 5p | 18xd | +1 | d0.51 | ◆ | 4.1 | ◆ |
| 98 | 88 | Zetters 5p | 89 | | t3.1 | 3.0 | 5.0 | 9.5 |

## MOTORS, AIRCRAFT TRADES

### Motors and Cycles

| 1984 High | Low | Stock | Price | + or − | Div Net | C'vr | Y'ld Gr's | P/E |
|---|---|---|---|---|---|---|---|---|
| 76 | 38 | BL 50p | 42 | −1 | — | — | — | — |
| 66 | 30 | Coleman Milne 10p | 60 | | ◆1.7 | 2.8 | 4.0 | 11.4 |
| 255 | 227 | Gen. Mts. Units | 227 | | Q12c | — | 3.7 | — |
| 464 | 294 | Honda Motor Y50 | 447 | +5 | Q23% | 8.6 | 0.8 | 14.8 |
| 85 | 55 | Lotus Car 10p | 58 | | — | — | — | (29.3) |
| 46 | 20 | Reliant Motor 10p | 38 | | — | — | — | 12.0 |

### Commercial Vehicles

### Components

### Garages and Distributors

## NEWSPAPERS, PUBLISHERS

## PAPER, PRINTING ADVERTISING

## INSURANCES

## LEISURE

## PROPERTY—Continued

| 1984 High | Low | Stock | Price | + or − | Div Net | C'vr | Y'ld Gr's | P/E |
|---|---|---|---|---|---|---|---|---|
| 74 | 57 | McInerney 10p | 60 | | Q76.9% | 5.0 | 10.6 | 2.9 |
| 160 | 130 | McKay Secs 20p | 168 | +15 | 4.2 | ◆ | 3.8 | ◆ |
| 172 | 109 | Morland Secs 5p | 122a | | ◆d2.0 | 0.3 | 2.4 | — |
| 280 | 210 | Mountleigh | 235 | | t(4.58) | 3.5 | 2.8 | 11.2 |
| 267 | 228 | Mountview 5p | 267 | +5 | 4.5 | 9.5 | 2.4 | 6.2 |
| 88 | 72 | Muckiow (A. & J.) | 73 | | 4.5 | 1.3 | 8.8 | (11.3) |
| 85 | 74 | New Cavendish 5p | 75 | | h0.91 | — | 1.7 | — |
| 37 | 19 | New England Props 5p | 22 | | 1.0 | 1.5 | 6.5 | (12.9) |
| 37 | 28 | Parkdale Hldgs 10p | 33 | | 0.9 | ◆ | 3.9 | ◆ |
| 228 | 184 | Peachey | 217 | −3 | t6.0 | 1.9 | 3.9 | 19.0 |
| 280 | 208 | Peel Hldgs | 280 | +2 | 7.35 | ◆ | 3.8 | ◆ |
| 28 | 17 | Phoenix Prop and Fin | 23 | | — | — | — | ◆ |
| 610 | 310 | Priest Marians £1 | 510 | −10 | B— | — | — | — |
| 108 | 84 | Prop.Hldg & Inv | 108 | | b2.25 | 1.5 | 3.0 | 31.7 |
| 320 | 275 | Prop. Part'ship | 320 | | 7.0 | 1.8 | 3.1 | 28.6 |
| 194 | 166 | Prop & Rev | 194 | | 3.7 | 1.3 | 2.7 | 37.8 |
| 134 | 131 | Prop Sec Inv 50p | 131xd | +1 | 2.25 | ◆ | 2.5 | ◆ |
| 11 | 7½ | Raglan Prop 1p | 7¼ | | 0.08 | 3.9 | 1.4 | 20.4 |
| 94 | 64 | Regalian | 80 | | 2.5 | 3.6 | 4.5 | 8.9 |
| 29 | 19 | Regentcrest 10p | 27 | | §1.0 | 1.1 | 5.3 | 23.7 |
| 225 | 170 | Rohan Group 10p | 190 | | Q16.2% | 1.9 | 8.1 | 10.3 |
| 525 | 297 | Rosehaugh £1 | 523 | −2 | 2.87 | 5.1 | 0.8 | 28.1 |
| 264 | 204 | Rush & Tompkins | 216 | | 7.25 | 2.2 | 4.8 | 10.7 |
| 157 | 131 | Samuel Props | 154 | +1 | t5.2 | 1.7 | 4.8 | 14.6 |
| $397/8 | $31½ | Saratreek Holdon NV | $34½ | +2 | Q$2.50 | ◆ | 7.2 | ◆ |
| 92 | 79 | Scot Metrop. 20p | 84 | +2 | t3.5 | 1.1 | 6.0 | 19.9 |
| 31½ | 21 | Sheafbank Prop | 26 | +1 | — | — | — | — |
| 20½ | 12¼ | Sheraton Secs. 10p | 12¼ | +½ | — | — | — | 13.1 |
| 132 | 117 | Slough Ests | 129 | | 4.0 | 1.6 | 4.4 | 17.6 |

## SHIPPING

## SHOES AND LEATHER

## SOUTH AFRICANS

## TEXTILES

## TOBACCOS

## TRUSTS, FINANCE, LAND

### Investment Trusts

## INVESTMENT TRUSTS—Cont.

| 1984 High | Low | Stock | Price | + or − | Div Net | C'vr | Y'ld Gr's |
|---|---|---|---|---|---|---|---|
| 224 | 180 | Equity Cons'l £1 | 188 | +2 | 10.35 | 1.4 | 7.8 |
| 381 | 330 | Do. Dfd 50p | 338 | +3 | 12.25 | 0.9 | 5.2 |
| 123 | 101 | European Assets DF11 | 110xd | | | 1.2 | |
| 84 | 70 | F & C Alliance Inv | 81 | | | | 2.8 |
| 37½ | 27½ | F & C Ent Tst 10p | 31½ | | 0.09 | 1.0 | 0.4 |
| 117 | 90 | F & C Eurotrust | 97 | +1 | 1.6 | ◆ | 2.4 |
| 129 | 116 | F & C Pacific Inv. T. | 127 | | 13.5 | — | 3.9 |
| 188 | 162 | Family Inv. Tst. | 172 | | 6.6 | 1.0 | 5.5 |
| 300 | 270 | Fashion & Gen | 280 | | 12.0 | 1.0 | 6.1 |
| 12½ | 9 | First Charlotte Assets | 9 | | 0.05 | 2.7 | 0.8 |
| 218 | 195 | First Scot. Am. | 214 | | 5.15 | 1.0 | 3.4 |
| 245 | 180 | FUGIT RO.25 | 195 | | 10165 | 1.4 | 4.0 |
| 24 | 16 | Fledgeling Japan 1c | 21 | | — | — | — |
| 25 | 13 | Do. Warrants | 18 | | | | |
| 426 | 344 | Fleming American | 426 | | 4.25 | 1.3 | 1.4 |
| 117 | 99 | Do 7pc CvUnLn 1999 | 115 | | 07% | — | (6.1) |
| 224 | 185 | Fleming Claverhouse 5lp | 197 | | t7.5 | 1.0 | 5.4 |
| 220 | 180 | Fleming Enterprise | 200xd | | 7.3 | ◆ | 5.2 |
| 314 | 228 | Fleming Far Eastern | 262 | +2 | 2.0 | 1.1 | 1.1 |
| 106 | 83 | Fleming Fledgeling | 90 | | 2.25 | 1.0 | 3.6 |
| 517 | 392 | Fleming Japanese | 440 | +4 | F1.75 | 1.2 | 0.6 |
| 106 | 90 | Fleming Merc. | 101 | | 3.8 | 1.1 | 4.0 |
| 298 | 246 | Fleming Overseas Tst. | 292 | | 7.0 | ◆ | 3.4 |
| 150 | 119½ | Fleming Tech. Inv | 133 | | 2.2 | ◆ | 2.4 |
| 254 | 216 | Fleming Universal | 240 | | 6.75 | 1.0 | 4.0 |
| 120 | 100 | Foreign & Col | 116xd | | 12.5 | 1.0 | 3.1 |
| 63½ | 51½ | Fulcrum Inc. | 61½ | +½ | t5.0 | 1.0 | 11.6 |
| 4 | 3¼ | Do. Cap. 2½p | 3¾ | | — | — | — |
| 43 | 37 | Fundinvest Inc. | 38 | +½ | t4.69 | 1.0 | 17.6 |

### Finance, Land, etc

## OIL AND GAS

## OIL AND GAS—Continued

| 1984 High | Low | Stock | Price | + or − | Div Net | C'vr | Y'ld Gr's | P/E |
|---|---|---|---|---|---|---|---|---|
| 715 | 205 | Bryson Oil Gas 25c | 405 | −8 | — | — | — | — |
| 35 | 17 | Bula Res. Ir£0.25 | 21 | | — | — | — | — |
| 200 | 161 | Burmah £1 | 186 | −1 | 9.75 | 2.0 | 7.5 | 8.3 |
| £81½ | £71½ | Do. 8½ Ln 91-96 | £74¼ | +¼ | Q8½% | 18.2 | 12.9 | — |
| 320 | 225 | Caledonian Oil £1 | 225 | −5 | — | — | — | — |
| 385 | 265 | Cambridge Pet 25p | 355 | | ◆ | — | — | 66.0 |
| 247 | 190 | Carless Capel 10p | 227 | +4 | 2.75 | 1.5 | 1.7 | 47.4 |
| 79 | 51 | Century 10p | 60 | −1 | 3.5 | 1.9 | 8.3 | 8.6 |
| 64 | 49 | Charterhall 5p | 59 | +1 | g0.3 | ◆ | 0.7 | ◆ |
| 167 | 113 | Charterhouse Pet. | 148 | +1 | 0.75 | 3.4 | 0.7 | 42.4 |
| 15 | 6 | Churchill Energy | 10 | | — | — | — | — |
| £24½ | £14½ | Cie Fr. Petroles B | £19½ | | Q20% | — | 6.6 | — |
| 178 | 41 | Clarwood Pet NL | 110 | +2 | — | — | — | — |
| 110 | 60 | Cluff Oil £1 | 67 | +5 | — | — | — | — |
| 115 | 75 | Do. Cnv. A | 75 | | — | — | — | — |
| 40 | 17 | Do. Warrants 'B' | 20 | | — | — | — | — |
| 150 | 95 | Clyde Petroleum | 105 | +3 | 0.91 | 3.8 | 1.2 | 25.8 |
| 10½ | 4 | Command Pet. NL | 4½ | | — | — | — | — |
| 100 | 75 | Conroy Pet Nat Res | 75 | | — | — | — | — |
| 240 | 128 | Crusader Oil | 151 | | — | — | — | — |
| 36 | 20 | Dorset Res C$1 | 34 | | — | — | — | — |
| 70 | 57 | E. Scotland Onshore | 62 | | 2.0 | 1.2 | 4.6 | 25.5 |
| 95 | 73 | Edinburgh Secs | 80 | | 0.15 | — | 0.3 | — |
| 245 | 76 | Egerton Oil Nz0.05 | 132 | +4 | — | — | — | — |
| 23 | 13 | Energy Capital 12½p | 17 | | — | — | — | — |
| 7 | 4 | Energy Sources 10p | 5 | | — | — | — | — |
| 24 | 15 | Europa | 18 | | — | — | — | — |
| 32 | 12 | Falmouth Pet | 15 | | — | — | — | — |
| 165 | 155 | Firstland Oil & Gas | 155 | | — | — | — | — |

## OVERSEAS TRADERS

## PLANTATIONS

### Rubbers, Palm Oil

### Teas

## MINES

### Central Rand

### Eastern Rand

### Far West Rand

### O.F.S.

### Finance

### Diamond and Platinum

## MINES—Continued

| 1984 High | Low | Stock | Price | + or − | Div Net | C'vr | Y'ld Gr's |
|---|---|---|---|---|---|---|---|
| | | **Central African** | | | | | |
| 280 | 150 | Falcon Z$0c | 173 | | Q100c | ◆ | 34.3 |
| 17 | 11½ | Wankie Col. Z$1 | 12½ | | — | — | — |
| 21 | 14 | Zam Cpr.SBD0.24 | 15½ | −½ | — | — | — |
| | | **Australians** | | | | | |
| 45 | 23 | ACM 50c | 27 | −1 | — | — | — |
| 38 | 17 | Alliance Expln NL | 37 | | — | — | — |
| 10½ | 4 | Assoc'd & Minerals | 5¼ | +¼ | — | — | — |
| 19 | 12 | Aust. Hydrocarbons NL | 17 | | ◆ | — | — |
| 28 | 17½ | Australis Mng NL | 20 | +1 | — | — | — |
| 45 | 15 | Balmoral Res | 27 | +2 | — | — | — |
| 36 | 18 | Black Hill Mins | 21½ | +1 | — | — | — |
| 104 | 77 | Bond Corp | 83 | −1 | Q10c | 0.7 | 7.8 |
| 177 | 90 | Bougainville Kina | 110 | +2 | Q16.4c | 1.2 | 9.7 |
| 406 | 276 | CRA $2 | 356 | +4 | Q12c | 1.5 | 2.2 |
| 86 | 44 | Carr Boyd 20c | 65 | +3 | — | — | — |
| 40 | 25 | Central Kalgoorlie | 25 | | — | — | — |
| 24 | 20 | Central Pacific | 21 | +½ | — | — | — |

### Tins

### Miscellaneous

### NOTES

## REGIONAL & IRISH STOCKS

## OPTIONS — 3-month call rates

"Recent Issues" and "Rights" Page 25

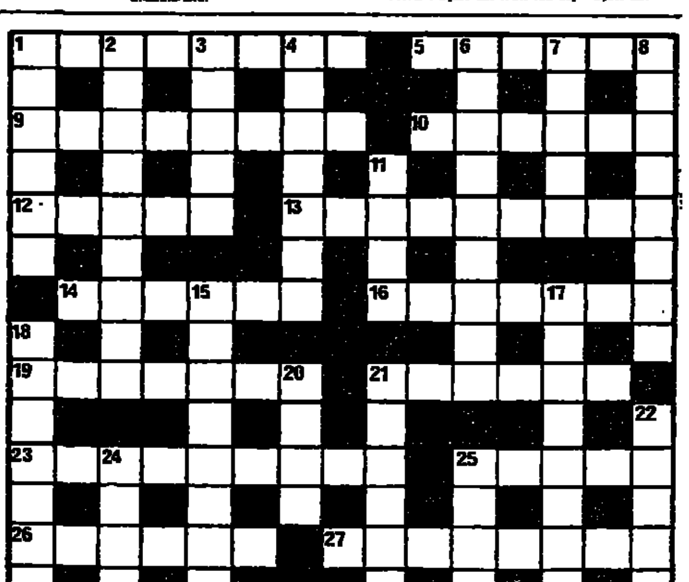
This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £700 per annum for each security.

# AUTHORISED UNIT TRUSTS

# FT UNIT TRUST INFORMATION SERVICE

# INSURANCES

## F.T. CROSSWORD PUZZLE No. 5,493



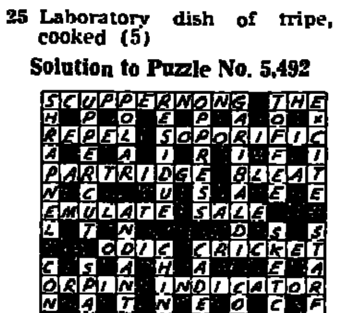
### ACROSS

1 Toy phone put out on Grantchester tea-table (5-3)
5 Comprehensive cover unusual for yonder church? (6)
9 Blue making up county players (8)
10 Constable, perhaps, in tricky strait (6)
12 Make Bill work in the house (5)
13 Ken Tailor is becoming such a slick producer (3-6)
14 Fishes slightly larger than soles? (6)
16 Golfers in saloons (7)
19 I'm asset, possibly, to Les Fauves (7)
21 Self-hoisting explosive case? (6)
23 RI guarantor? (9)
25 Clumsily wash up, losing top of urn? This expresses my impatience (5)
26 Soccer authority returns to bazaar in the event (6)
27 End of TV programmes transmitted—United in it (4-4)
28 They go off from the annexe, untypically (6)
29 Dot with spots (8)

### DOWN

1 They are found in hospital perimeters (6)
2 Riding-coat rarely seen now —maker went bust (9)
3 Chay working overtime on it? (5)
4 Bony body of police loses leader, love us! (7)
6 Simple plant-seller? (9)
7 Watch this prank—North might pick it up (5)
8 One is responsible for bowler's finish (3-5)
11 Happy to have George's first son (4)
15 Satan, main sort for such a devil (9)
17 Job underground in Embankment (9)
18 Last of the Maigret mystery to settle (8)
20 What is the point of fencing? (4)
21 Cobble and put chap in a flap (5, 2)
22 Slight colour, weak inside, but not much pain (6)
24 His was a black Friday (5)
25 Laboratory dish of tripe, cooked (5)

### Solution to Puzzle No. 5,492



هكذا من الاصل

# INSURANCE, OVERSEAS & MONEY FUNDS

## OFFSHORE AND OVERSEAS

Rothschild Australia Asset Mgmt. Ltd.
17 Bridge St, Sydney 2000, Australia

| | | | | |
|---|---|---|---|---|
| Five Arrows Aust. Eq. | A$1.42 | 1.45 | ..... | 6.2 |

Royal Bank of Canada Funds
RBC Invest Managers Ltd
PO Box 246, St Peter Port, Guernsey. 0481 23021

| | | | | |
|---|---|---|---|---|
| Intl Income Fd | $9.63 | 10.26 | +0.06 | — |
| Intl Capital Fd | $15.80 | 17.17 | ... | — |
| North America Fd | $6.74 | 7.39 | ... | — |
| Far East & Pacific Fd | $9.33 | 9.96 | +0.19 | — |

RBC Intl Currencies Fd Ltd

| | | | |
|---|---|---|---|
| U S $ | $23.11 | +0.01 | — |
| Canadian $ | $28.71 | +0.01 | — |
| £ Sterling | £11.54 | ... | — |
| D-Mark | DM53.63 | +0.01 | — |
| Swiss Francs | SF41.63 | ... | — |
| Japanese Yen | Y6,518 | +1 | — |
| Managed Fund | $21.74 | ... | — |

Daily Dealings.

Royal Trust International Fd. Mngt. Ltd.(x)
PO Box 194, St. Helier, Jersey. 0534 27441

| | | | | |
|---|---|---|---|---|
| Sterling Fxd Int Fd. | £0.809 | 0.822 | ..... | 9.82 |
| International Secs. | $1.048 | 1.093 | ..... | 0.96 |
| International Bond | $0.747 | 0.758 | ..... | 10.15 |

Prices on August 1. Next dealing August 8.

SCI/TECH S.A.
2 Boulevard Royal, Luxembourg

| | | | |
|---|---|---|---|
| SCI-Tech NAV | 10.10 | −0.06 | — |

Save & Prosper International
Dealing to
PO Box 73, St Helier, Jersey. 0534 73933

Fixed Interest Funds

| | | | | |
|---|---|---|---|---|
| Deutschmark Bd. | DM10.45 | 11.02 | +0.01 | 4.99 |
| Dlr. Fxd. Int. | $7.95 | 8.50 | +0.03 | 10.35 |
| St Fixed | 110.6 | 117.0 | ..... | 11.97 |
| Yen Bond | Y1,392 | 1,469 | +1 | 3.06 |

Equity Funds

| | | | | |
|---|---|---|---|---|
| UK Growth | 149.4 | 161.7 | +2.1 | 1.66 |
| Interntl. Gr | $10.00 | 10.82 | +0.12 | 0.87 |
| Far Eastern | $20.26 | 21.93 | +0.21 | 0.34 |
| North American | $8.20 | 8.87 | −0.03 | 0.10 |
| Gold | 10.96 | 11.85 | +0.33 | 2.66 |

Multicurrency Reserve Fund

| | | | | |
|---|---|---|---|---|
| U S. $ | 1.00 | — | ..... | 11.09 |
| D Marks | 10.00 | — | ..... | 3.85 |
| £ Sterling | 1.00 | — | ..... | 9.32 |
| Yen | 1000.0 | — | ..... | 4.78 |

Deposit Fund

| | | | | |
|---|---|---|---|---|
| Sterling Deposit | 187.3 | 187.4 | ..... | 0.13 |

All funds are daily dealings.

Schroder Mngt Services (Jersey) Ltd
PO Box 195, St Helier, Jersey. 0534-27561

Schroder Money Funds Ltd

| | | | |
|---|---|---|---|
| Sterling | £15.2330 | +0.0172 | 12.80 |
| U.S. $ | $28.7554 | +0.0595 | 10.84 |
| D-Mark | DM53.5656 | +0.0460 | 4.49 |
| Swiss franc | SF52.3720 | +0.0377 | 3.77 |

J. Henry Schroder Wagg & Co. Ltd.

World Wide Growth Management
10a, Boulevard Royal, Luxembourg

| | | | |
|---|---|---|---|
| Worldwide Gth Fd | $11.79 | ... | — |

Inv. Adv. M & G Inv. Mngt., Ltd., London.

Wren Commodity Management Ltd.
10, St George's St, Douglas IoM. 0624 25015

| | | | | |
|---|---|---|---|---|
| Wren Com Fund | 16.0 | 16.7 | ... | 3.10 |
| Chinese Fund | 59.5 | 62.0 | ... | 1.70 |
| Precious Metal Fund. | 123.9 | 129.0 | ... | 8.30 |
| Vanguard Cmdy Fd | 26.6 | 27.3 | ... | 2.26 |
| Financial Futures Fd | 52.6 | 54.8 | ... | — |

Yamaichi Dynamic Mngt Co SA
10A Boulevard Royal, Luxembourg

| | | | |
|---|---|---|---|
| Dynamic Gwth Fd | $19.20 | ... | — |

## Money Market Trust Funds

| | Nom | Apr | Int Cr | Notice |
|---|---|---|---|---|
| **Mallinhall Ltd** | | | | |
| 36 Berkeley Sq, W1X 5DA. 01-499 6634 | | | | |
| M'hall Mny Fd | 10.76 | 11.29 | Qtr | Call |
| **The Money Market Trust** | | | | |
| 63 Qn Victoria St, EC4N 4ST. 01-236 0952 | | | | |
| Call Fnd | 11.23 | 11.61 | ... | Call |
| 7-day Fnd | 11.77 | 12.18 | ... | 7-day |
| **Oppenheimer Money Management Ltd** | | | | |
| 66 Cannon St, EC4N 6AE. 01-236 1425 | | | | |
| Call Fnd | 10.96 | 11.26 | 6-mth | Call |
| 7 day Fund | 11.82 | 12.16 | 6-mth | 7-day |
| Money Mngt. Acct. | 10.81 | 11.26 | 3-mth | Call |
| Dollar | 10.44 | 10.71 | 6-mth | 2-day |

## Money Market Bank Accounts

| | Nom | APR | Int Cr | Notice |
|---|---|---|---|---|
| **Aitken Hume** | | | | |
| 30 City Road, EC1Y 2AY. 01-638 6070 | | | | |
| Treasury Acc | 10.625 | 11.05 | Qtr | Call |
| Monthly Acc | 10.5 | 11.02 | Mthl | Call |
| **Bank of Scotland** | | | | |
| 38 Threadneedle St, EC2P 2EH. 01-628 8060 | | | | |
| Cheque Acc | 10.00 | 10.47 | Mthl | Call |
| **Barclays Prime Account** | | | | |
| PO Box 125, Northampton 0604 252891 | | | | |
| High Int. Cheque | 10.00 | 10.38 | Qtl | Call |
| **Britannia Grp of Investment Companies** | | | | |
| 29 Finsbury Circus, EC2M 5QL. 01-588 2777 | | | | |
| Cater Allen | 10.75 | 11.29 | Mthl | Call |
| **Charterhouse Japhet plc** | | | | |
| 1 Paternoster Row, EC4M 7DH. 01-248 3999 | | | | |
| Sterling | 10.75 | 11.30 | Mth | Call |
| U.S. Dollar | 11.00 | 11.73 | Mth | Call |
| German Marks | 4.75 | 4.95 | Mth | Call |
| Swiss francs | 1.00 | 1.019 | Mth | Call |
| Japanese Yen | 5.00 | 5.19 | Mthl | Call |
| **Choulartons** | | | | |
| 30 Ashley Rd, Altrincham, Cheshire, WA1 2DW 061-928 9011 | | | | |
| Cheque Acc | 11.75 | 12.40 | Mthl | Call |
| **Co-operative Bank** | | | | |
| 78-80 Cornhill EC3 01-626 6543 Ex 464 | | | | |
| Cheque & Save | 8.50 | 8.77 | Qtr | Call |
| Over £1,000 | 10.00 | 10.38 | Qtl | Call |
| **Dartington & Co Ltd** | | | | |
| Dartington, Totnes, Devon TQ9 6JE. 0803 862271 | | | | |
| Money Mkt Acc | 10.25 | 10.66 | Qtr | Call |
| **Lombard North Central PLC** | | | | |
| 17 Bruton St, W1A 3DH 01-409 3434 | | | | |
| Notice Dep | 11.25 | 11.57 | Rate | 14-day |
| **M & G/Kleinwort Benson** | | | | |
| 91-99 New London Rd, Chelmsford. 0245 51651 | | | | |
| High Int Cheque Acc | 10.80 | 11.40 | Daily | Call |
| **Midland Bank plc** | | | | |
| PO Box 2, Sheffield. 0742 20999 Ext 8738 | | | | |
| High Int Chq | 10.50 | 10.92 | Qtl | Call |
| **Save & Prosper/Robert Fleming** | | | | |
| 28 Western Rd, Romford RM1 3LB. 0708 66966 | | | | |
| High Int. Std. Acc. | 9.89 | 10.40 | Daily | Call |
| Premier Acc | 9.89 | 10.40 | Daily | Call |
| **Tyndall & Co** | | | | |
| 29-33 Princess Victoria St, Bristol BS8 4BX. 0272 732241 | | | | |
| Demand Acc | 10.42 | 10.84 | Qtr | Call |
| Money Acc. | 10.50 | 10.93 | Qtr | Chq 7 |
| **J. Henry Schroder Wagg & Co Ltd** | | | | |
| Enterprise House, Portsmouth 0705 827733 | | | | |
| Special Acc | 11.125 | 11.71 | Mthl | Call |
| Over £10,000 | 11.375 | 11.99 | Mthl | Call |

NOTES:— Interest rates given both as a nominal rate and an annual percentage rate adjusted for frequency of interest credit.

### NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ¶ Guernsey gross. ‡ Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. Φ Yield column shows annualised rates of NAV increase.

# COMMODITIES AND AGRICULTURE

## Potato producer prices fall as supplies ease

BY ANDREW GOWERS

PRODUCER PRICES of potatoes have dropped sharply in line with the decline on the futures market in recent weeks, rflecting the easy availability of supplis and hesitant demand.

The Potato Marketing Board, which oversees Britain's physical market, reported yesterday that the estimated average producer price for potatoesl ast week was £86.96 a tonne, compared with £93 the week before.

It said a steadier trend in prices was emerging, though suplis are more than sufficient in some areas.

Meanwhile on the futures market prices had an easier tone yesterday. The contract for November delivery lost 50p to close at £72.30 while the more heavily-traded April contract dropped 10p to £93.30.

Traders said the market was marking time after its dramatic fall in recent weeks from levels above £130. An attempted rally the day before yesterday petered out after brief profit-taking.

The quieter atmosphere of recent days partly reflects the market's traditional August doldrums and partly a change in the weather, to which potato prices are highly sensitive.

The drought in many growing areas had been causing traders to speculate that the crop might be seriously affected. While, however, the West Country remains dry, most sizable growing areas have had rain.

The market may drop further in coming weeks, as it usually does at this time of year. Looking to the autum, though, some brokers believe a modest shortfall in the UK crop — because of lower plantings this year — may push prices up again.

There is, however, unlikely to be a shortage, for several continental European countries, notably The Netherlands, are expecting good crops.

## Tea futures market talks planned

BY JOHN EDWARDS, COMMODITIES EDITOR

A NEW LOOK is being taken at prospects for launching a tea futures market in London. Mr Jack Patterson, of Woodhouse Drake & Carey, said talks are planned for early next month with potentially interested parties to see if it is worth establishing a formation committee.

The framework for a tea futures contract was drawn up more than 10 years ago. The idea was dropped when some leading tea-blenders opposed it.

However, following sharp fluctuations in tea prices in the past year and the entry of more commodity brokers to the trade it is felt the idea of a futures market may be more acceptable.

The Tea Buyers Association, representing blenders and dealers, decided recently that on balance it would not support introduction of futures trading. Some members, however, remain in favour and one large international company is investigating the project independently.

Brooke Bond, the biggest UK tea-blender, says it is neutral on the matter. It cannot see any benefit as a company from futures trading but would not necessarily ignore the market if it were launched.

Other blenders and dealers are either lukewarm or against the project. None the less, supporters of the idea are considering proceeding, even if the bulk of the traditional trade remains opposed, on the basis that once the contract got off the ground it would prove its usefulness and gradually gain acceptance.

Both the London Commodity Exchange and the Grain and Futures Trade Association (Gafta) have been approached to consider the project. The LCE is showing most interest.

Meanwhile, London tea-traders were sceptical about the report from Calcutta that India, Sri Lanka and China plan to go it alone with an international tea pact aimed at setting minimum price levels.

India recently sent a large delegation to look at the Chinese tea industry. It was suggested in London that the announcement of a proposed international agreement was kite-flying, aimed mainly at putting pressure of Kenya.

It is thought unlikely that any scheme to impose minimum prices could be successful internationally without some kind of export controls by major producers, including Kenya.

● India's tea productnoi is expected to total about 640m kg this year, 10m more than the official target and 52m up from last year's output, Mr Jagoish Khattar, told Reuters in Calcutta.

## London tin values drop sharply

TIN PRICES fell sharply on the London Metal Exchange yesterday for the second day running after puzzling tactics by the International Tin Council buffer stock.

The cash price of standard grade tin closed £120 lower at £9,245 a tonne after losing £115 the previous day. Dealers attributed decline to the stronger trend in sterling and what was described as significant selling by the buffer stock.

The two influences may well be linked, in that with sterling stronger the buffer stock can afford to take some profits in London on previous purchases to help fund future support buying, especially in Penang.

Nevertheless the buffer stock selling created some nervousness, particularly as London values remain at a big discount to the Malaysian market.

● **MEAT:** Soviet production figures indicate another record year with the first seven months 8 per cent higher than the comparable period last year.

● **RUBBER:** India plans to increase plantations in its five north-eastern states from 1,000 hectares to 24,000 hectares in a five-year development starting next April, Mr V. K. Chitharangadam, Rubber Board assistant development commissioner, told Reuters.

● **COFFEE:** Indonesia says the Soviet Union has agreed to buy 2,000 tonnes for delivery in October, four times more than in 1982-83.

● **IRON ORE:** China is interested in buying up to 2m tonnes from India next year if terms are right, Mr Abid Hussein, head of a trade delegation in Peking, said.

● **VENEZUELAN** Government geologists have reported finding uranium in the country's Amazon region.

## Caribbean sugar industry cheers up

BY CANUTE JAMES IN KINGSTON

SPIRITS ARE a bit lighter in the hard-pressed sugar industry of the Commonwealth Caribbean, even though thre has been no overall rise in production, which has been declining steadily for 15 years.

The decision of some governments, such as those of Jamaica and Trinidad and Tobago, to deal firmly with basic problems afflicting the industry has been matched by encouraging signs of increased production, though marginal in Barbados and Guyana.

The region's producers have also been encouraged by the U.S. Government's acceptance of an oft-repeated plea for a collective import quota for the Caribbean Economic Community, made up of the region's Commonwealth members.

The agreement will allow other members of the group to fill shortfalls by their partners, within a collective quota of 160,000 tonnes a year.

Mr Yakbou Khan, secretary of the Sugar Association of the Caribbean, said: "Under the present system, if there is a shortfall it goes back to the U.S. Government for redistribution.

"nder a community quota, shortfalls would be reallocated among countries in the region so that the foreign exchange position as a whole would not suffer."

To make full use of these chances, however, the region's producers will have to continue efforts to raise production.

Commonwealth Caribbean sugar production, the industry says, is becoming increasingly inefficient. Continuing declines in output have led to intermittent shortfalls on quotas to the U.S. and to Europe. The sector's debts have grown rapidly, especially in Jamaica, and in Trinidad and Tobago.

*It was the twin problems of* falling efficiency and mounting debts which led to the agreement between the Jamaican Government and Tate & Lyle of Britain for the company to take over the management of the state-owned sector of the industry.

Tate & Lyle representatives are in Jamaica to study the industry's rehabilitation.

The Jamaican Government is hoping that under its 10-year management contract Tate & Lyle can reverse losses being recorded by the industry. These have accumulated at about $100m (£76m). Mr Percival Broderick, Jamaica's Agriculture Minister, said the losses this year were $13m.

There are signs of improvement in Guyana's sugar industry. Unlike Jamaica, Guyana says it has no plans to privatise any aspect of the state-owned sugar industry.

Harold Davis, chairman of Guyana Sugar Corporation, has reported that output should soon exceed 300,000 tonnes, a figure last achieved in 1981.

The optimism has been fuelled by a first crop of 105,000 tonnes, 5,000 tonnes above expectation.

Mr Davis said: "With such positive trends the industry could in the not too distant future achieve the objective of exceeding 300,000 tonnes a year.

The decline in the industry in Trinidad and Tobago continued this year. Output reached 64,000 tonnes, missing the production target by 12,000 tonnes.

Last year's output was 77,200 tonnes. The Government has been transferring cane lands to other forms of agriculture because of mounting losses being suffered by Caroni, the state-owned producer. The industry says efforts are being concentrated on producing to meet the domestic market.

There are, however, brighter spirits in Barbados. There are privately-run industry this year produced 100,000 tonnes of sugar, 15,000 tonnes more than last year.

The industry, the island's third-largest export-earner, hopes to top the record 131,000 tonnes of 1980.

Commonwealth Caribbean producers, however, are still disgruntled at the price the European Economic Community is offering for sugar supplied under the sugar protocol of the Lomé Convention.

The Sugar Association of the Caribbean said the region's concern "is underlined by the fact that in recent years the price increase granted by the EEC to African, Caribbean and Pacific sugar-producers has been unilaterally equated by the EEC.

"This is clearly contrary to the sugar protocol, since the protocol requires negotiations within the price range obtaining in the Community, taking into account all relevant economic factors."

## U.S. soyabean traders watch weather

BY NANCY DUNNE IN WASHINGTON

TRADER CONCERN about drought in U.S. soyabean growing areas nudged mid-day prices higher yesterday in the oil complex at the Chicago Board of Trade.

Though some meteorologists are forecasting showers in the crucial areas over the weekend, it is not expected to be the drenching rain needed at this vital point in crop development.

Miss Gail Martell, meteorologist with E. F. Hutton, seels little hope for significant rain in the next five or six days. The weather has been hot and dry since soyabeans entered their critical plodding period.

Even in July rainfall was insufficient in many areas of the three biggest producing states —Illinois, Iowa and Missouri, Miss Martell said. It is driest in the Midwest states. There, yields, traditionally the highest in the country, run about 38 bushels per acre.

The weather has been the most co-operative in southern soyabean areas where yields generally average 23 bushels an acre only.

The U.S. Department of Agriculture last Friday estimated the U.S. soyabean crop at 2.04bn bushels with yields at about 30.5 bushels an acre. The prediction, however, was based on the weather as of Augut 1, just as the current drought was becoming a concern. Yields are likely to fall below that estimate, according to Miss Martell.

Though some maize is deteriorating in the heat, most of the crop is past its critical stages, according to Miss Susan Hackman, a Chicago grains analyst.

## Bangladesh jute hit by floods

DHAKA—Prospects for Bangladesh's jute industry are bleak this year because of heavy flood damage since May, Mr Abul Kashem, Bangladesh Jute Spinners Association chairman, said yesterday.

A Jute Ministry official said more than 500,000 bales of 181 kg each had been lost and Bangladesh might not reach its 5.9m bale production target.

Bangladeshi jute prices were static this week but traders predicted a rise as supplies tightened.

Reuter

## PRICE CHANGES

| in tonnes unless stated otherwise | Aug. 15 1984 | + or — | Month ago |
|---|---|---|---|
| **Metals** | | | |
| Aluminium | £1100 | ...... | $1100 |
| Free Mkt | $1205/1235 | ...... | £1185/215 |
| Copper | | | |
| Cash h Grade | £1032.25 | —3 | £1027 |
| 3 mths | £1025.25 | —5.75 | £1042.75 |
| Cash Cathode | £1034 | —3.25 | £1035.5 |
| 3 mths | £1034 | —3.25 | £1049.5 |
| Gold troy oz | $352 | —2.75 | $345.25 |
| Lead Cash | £352.25 | —2.25 | £385 |
| 3 mths | £349.75 | —4.0 | £378.75 |
| Nickel | £5202 | ...... | £5202 |
| Free Mkt | 212/232c | ...... | 218 228c |
| Palladium oz | $139.00 | ...... | $138.50 |
| Platinum oz | $344.25 | +0.50 | $340.00 |
| Quick Silver† | $300/310 | ...... | $295/305 |
| Silver troy oz | 599.55p | +1.7 | 564.95p |
| 3 mths | 614.15p | +1.15 | 581.45p |
| Tin cash | £9245 | —120 | £9460 |
| 3 mths | £9192.5 | —110 | £9382.5 |
| Tungsten | $86.55 | ...... | $85.25 |
| Wolfram 22.04lb | $77/81 | ...... | $79 84 |
| Zinc | £629 | —9.5 | £670.75 |
| 3 mths | £638.25 | —4.5 | £671.25 |
| Producrs | $890 | ...... | $990 |

| | Aug. 15 1984 | + or — | Month ago |
|---|---|---|---|
| **Oils** | | | |
| Coconut (Phil) | £1120u | ...... | $1200 |
| Groundnut | ‡ | ...... | $1060 |
| Linseed Crude | ‡ | ...... | ‡ |
| Palm Malayan | $560w | ...... | $580 |
| **Seeds** | | | |
| Copra Phil | ‡ | ...... | ‡ |
| Soyabean (U.S.) | $281.25z | +5.5 | $287.1 |
| **Grains** | | | |
| Barley Fut. Nov. | £109.35 | +0.20 | £109.50 |
| Maize | £150.75 | ...... | ‡ |
| Wheat Fut. Nov. | £109.90 | —0.10 | £110.95 |
| No2 Hard Wint. | ‡ | ...... | ‡ |
| **Other commodities** | | | |
| Cocoa ship't* | £2011.5 | +15.5 | £1823 |
| Futures Dec. | £1689.5 | —15.0 | £1757 |
| Coffee Ft. Nov. | £2311.5 | —18.0 | £221.5 |
| *Cotton A index* | *75.00c* | *—1.75* | *78.20c* |
| Gas Oil Sept. | $231.50 | +0.75 | $229 |
| Rubber (kilo) | 63.0p | —1 | 71.5p |
| Sugar (raw) | £82 | ...... | £89.5 |
| Wool t'ps 64s | 466p kilo | ...... | 470p kilo |

‡ Unquoted. w Oct. z Sept. v Sept-Oct. u Aug-Sept. y July-Aug. † Per 75 lb flask. * Ghana cocoa. n Nominal. c Cents per pound.

## LONDON OIL

Prices began the day $1.00 down and moved higher in very thin conditions until the break. With much of Europe on holiday, volume remained light as the upward move continuel after the break and the market remained steady until the close, reports Premier Man.

### SPOT PRICES

| | Latest | Change + or — |
|---|---|---|
| **CRUDE OIL—FOB ($ per barrel)** | | |
| Arabian Light | 27.65-27.75 | —0.02 |
| Dubai Fateh | 27.10-27.35 | +0.12 |
| Arab Heavy | 26.50-26.60 | — |
| North Sea (Forties) | 28.00-28.30 | +0.08 |
| North Sea (Brent) | 28.35-28.60 | +0.25 |
| *African (Bonny Li'ht)* | *28.62* | *+0.07* |

PRODUCTS—North West Europe ($ per tonne)

| | | |
|---|---|---|
| Premium gasoline | 264-268 | — |
| Gas Oil | 228-233 | +3 |
| Heavy fuel oil | 177-179 | +0.5 |

### GAS OIL FUTURES

| Month | Yest'day's close | + or — | Business Done |
|---|---|---|---|
| | $ U.S. per tonne | | |
| Aug. | 227.00 | +1.00 | 227.00-24.75 |
| Sept. | 231.50 | +0.75 | 232.00-29.50 |
| Oct. | 236.25 | +1.25 | 236.25-33.75 |
| Nov. | 239.50 | +1.25 | 239.50-37.50 |
| Dec. | 242.00 | — | 242.00-41.00 |
| Jan. | 243.00 | +0.10 | 243.00-42.00 |
| Feb. | 239.50 | +1.50 | 239.50-39.50 |
| March | 235.50 | — | — |
| April | 232.50 | —1.75 | — |

*Turnover:* 1,325 (2,782) lots of 100 tonnes.

## GOLD MARKETS

Gold fell $2½ an ounce from Tuesday's close in the London bullion market yesterday to finish at $351¼-352¼. The metal opened at $355-355½ which proved to be the day's high. The market appeared to absorb early selling but a firmer dollar trend after news of a 0.9 per cent rise in U.S. industrial production led to renewed selling and gold touched a low of $349½-350.

In Frankfurt the 12½ kilo bar was fixed at DM 32,685 per kilo ($353.98 per ounce) against DM 32,555 ($349.51) and closed at $350¾-351½ from $353¾-354¼.

In Zurich gold finished at $351-351½ compared with $353-353¾.

### LONDON FUTURES

| Month | Yest'days close | + or — | Business Done |
|---|---|---|---|
| | $ per troy ounce | | |
| Aug | — | — | — |
| Oct. | 358.10-56.50 | —2.85 | 359.90-58.90 |
| Dec | 363.50-63.70 | —3.05 | 359.60-62.00 |
| Feb. | 370.00-70.10 | —2.40 | — |
| April | 377.40-77.50 | —1.79 | — |
| June | 384.20-84.30 | —1.79 | — |

Turnover: 213 lots of 100 troy ounces.

| | Aug. 15 | | Aug. 14 | |
|---|---|---|---|---|
| **Gold Bullion (fine ounce)** | | | | |
| Close | $351¼-352¼ | (£266½-267) | $354½-355 | (£267½-268) |
| *Opening* | *$355-355½* | *(£268-268½)* | *$347-347½* | *(£264-264½)* |
| Morning fixing | $353.90 | (£267.034) | $348.80 | (£265.267) |
| Afternoon fixing | $350.90 | (£266.572) | $354 | (£267.069) |

| Gold and Platinum Coins Aug. 15 | | | | | |
|---|---|---|---|---|---|
| Krugrnd | $363-363¼ | (£274¼-275½) | King Sov | $83⅛-85 | (£63¼-64¼) |
| ½ Krug. | $187-187¾ | (£141⅓-142¼) | Victoria Sov | $83½-85 | (£63¼-64¼) |
| ¼ Krug. | $95½-96¼ | (£72½-72¾) | French 20s | $67-68¾ | (£50¾-52) |
| 1/10 Krug. | $39-39¾ | (£29½-30) | 50 Pesos Mex | $440-442 | (£333¼-334¾) |
| Mapleleaf | $362¾-363½ | (£274¾-275¼) | 100 Cor. Aust | $341-344 | (£258¼-260½) |
| New Sov. | $82¾-83½ | (£62¾-63¼) | $20 Eagles | $535-545 | (£405¼-412¾) |
| ½ New Sov. | $49¾-50½ | (£37¾-38¼) | Noble (Plat.) | $354-358 | (£267¾-270¾) |

## EUROPEAN MARKETS

ROTTERDAM, August 15.

Wheat (U.S. $ per tonne): U.S. Two Soft Red Winter Sept 155.50, Oct 158.50, Nov 161.50, Dec 163.50. U.S. Two Northern Spring 14 per cent protein. Aug 182, Sept 170.50, Oct 172, Nov 176, Nov 15/Dec 15 177.50, Dec 778. U.S. Northern Spring 15 per cent protein Sept 75, Oct 177, Nov 181, Dec 183. U.S. Three Hard Amber Durum Aug 190, Sept 189, Oct 90.50, Nov 195, Nov 5/Dec 15 197, April/May 205. Canadian One Western Amber Durum Sept 204, Oct 204.50, Nov 207.50, Nov/Dec 211.

Maize—(U.S. $ per tonne): U.S. Three Yellow afloat c-f Ghent 158, Aug 152.50, Sept 149, Oct/Dec 138, Jan/March 142.50 sellers. Argentine Plate afloat 160, Aug 159, Sept 162 sellers.

Soyabeans—(U.S. $ per tonne): Sept 275.25, Oct 260.50, Nov 260, Dec 262.30, Jan 266.70, Feb 270.75, March 274.50, April 277.25, May 279 sellers.

Soyameal—(U.S. $ per tonne): 44 per cent Oct 187.50, Oct/Dec 190, Nov/March 193, sellers. Pellets Brazil afloat 184, Aug 184, Sept 186, Oct 194, Oct/Dec 200, Nov/March 209, sellers. Brazil afloat 174, Aug 175, Sept 181, Oct 187 sellers. Pellets Argentine afloat 173, Aug 175, Sept 178, Oct 186, Oct/Dec 192, Jan/March 202, sellers. After afloat on Maersk Sebarok 173 traded.

## BRITISH COMMODITY PRICES

### BASE METALS

BASE-METAL PRICES were easier on the London Metal Exchange, generally reflecting the rise in sterling against the dollar. Copper opened in the mid-£1,030s but gradually eased back to close the late Kerb at £1,031, after £1,028.5, while lead drifted to close at £348.5 and zinc at £638.5, the latter following chartist selling. The rise in sterling against the dollar unsettled aluminium, which fell away from £900 to £888.75, and nickel which ended the day at £3,642.5. Currency considerations and trade selling lowered forward standard tin from £9,240 to a closing level of £9,157.5.

### COPPER

| COPPER | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| High Grde | £ | £ | £ | £ |
| Cash | 1009.5-10 | —4 | 1012-3 | —5 |
| 3 months | 1029-.5 | —4 | 1032-.5 | —5 |
| Settlem't | 1010 | —4 | — | ...... |
| Cathodes | | | | |
| Cash | 1020-1 | —5.5 | 1023.5-6 | —5.75 |
| 3 months | 1027-9 | —7 | 1033-5 | —5.25 |
| Settlem't | 1021 | —7 | — | ...... |

Amalgamted Metal Trading reported that in the morning cash Higher Grade traded at £1,009.5, three months £1,032, 31.5, 31, 30, 29.5, 29, 28.5, 29, 28.5, 29. Cathodes: Cash £1,022, 21. Kerb: Higher Grade: Three months £1,030, 29.5, 30, 30.5. Afternoon: Higher Grade: Three months £1,032, 31.5, 32, 31.5, 32. Cathodes: Cash £1,026, 24, 25. Kerb: Higher Grade: Three months £1,030, 29.5, 29, 29.5, 30, 31. Turnover: 30,050 tonnes. U.S. Producers: 63.00-67.00 cents per pound.

### TIN

| TIN | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| High Grde | £ | £ | £ | £ |
| Cash | 9280-5 | —124 | 9245-55 | —115 |
| 3 months | 9240-50 | —120 | 9210-20 | —190 |
| Settlem't | 9285 | —125 | — | ...... |
| Standard | | | | |
| Cash | 9279-80 | —128 | 9240-50 | —120 |
| 3 months | 9225-30 | —117 | 9190-5 | —110 |
| Settlem't | 9280 | —138 | — | ...... |
| Straits E. | $29.15 | ...... | — | ...... |

Tin—Morning: Standard: Cash £9,285, 80, three months £9,230, 25, 30, 25. Kerb: Standard: Three months £9,220, 25, 30, 35. Higher Grade: Cash £9,285. Afternoon: Standard: Three months £9,230, 35, 15, 10, 9,200, 9,190, 80, 9,200, 9,190, 95, 90, 85, 80, 90, 80, 75, 80, 70, 75, 80, 85, 90. High Grade: Three months £9,220. Kerb: Standard: Three months £9,190, 85, 80, 70, 65, 60. Turnover: 3,106 tonnes.

### LEAD

| LEAD | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 351.5-2 | —7 | 352-.5 | —2.75 |
| 3 months | 348.5-9 | —8.14 | 349.5-50 | —4 |
| Settlem't | 352 | —7 | — | ...... |

Lead—Morning: Cash £352.5, three months £346, 47, 48, 49, 50, 51, 50, 49, 48.5. Kerb: Three months £348. Afternoon: Three months £350, 51, 50, 49.5. Kerb: Three months £348. Turnover: 8,200 tonnes. U.S. Spot: 28.00-32.00 cents per pound.

### ZINC

| ZINC | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Cash | 632.5-5 | —10.5 | 628-30 | —9.5 |
| 3 months | 643-4 | —10 | 638-.5 | —9.5 |
| Settlem't | 633 | —11 | — | ...... |

Zinc—Morning: Three months £644, 42, 41.5, 42. Kerb: Three months £641, 42, 43. Afternoon: Cash £632, three months £643, 42.5, 42, 41, 38, 37, 38. Kerb: Three months £637, 36.5, 37, 38, 38.5, 39, 38.5, 38. Turnover: 15,300 tonnes. U.S. Prime Western: 48.50-50.75 cents per pound.

### ALUMINIUM

| Alumin'm | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Spot | 871-3 | —9 | 866.5-7.5 | —10.5 |
| 3 months | 894-.5 | —9.25 | 889.5-90 | —10.0 |

Aluminium—Morning: Three months £893, 94, 93.5, 93, 93.5, 93, 93.5, 94, 94.5, 94. Kerb: Three months £894. Afternoon: Three months £893, 94, 93, 93.5, 92, 91, 90.5, 90. Kerb: Three months £889, 89.5, 90, 89.5, 90, 89.5, 89, 88.5. Turnover: 19,650 tonnes.

### NICKEL

| NICKEL | a.m. Official | + or — | p.m. Unofficial | + or — |
|---|---|---|---|---|
| Spot | 3570-80 | —62.5 | 3535-45 | —52.5 |
| 3 months | 3660-5 | —18 | 3625-35 | —52.5 |

Nickel — Morning: Three months £3,670, 65, 60. Kerb: Three months £3,660, 63, 60. Afternoon: Three months £3,660, 56, 55, 50, 45, 40, 38. Kerb: Three months £3,620, 25, 28, 25, 30, 35, 38, 40, 45. Turnover: 1,362 tonnes.

### SILVER

Silver was fixed 1.7p an ounce higher for spot delivery in th London bullion market yesterday at 599.55p. U.S. cent equivalents of the fixing levels were: spot 792.1c, up 5c; three-month 815c, up 4.9c; six-month 839.2c, up 4.8c; and 12-month 890.2c, up 5.7c. The metal opened at 604-607p (801-804c) and closed at 599-602p (791-794c).

| SILVER per troy | Bullion fixing price | + or — | L.M.E. p.m. Unofficial | + or — |
|---|---|---|---|---|
| Spot | 599.55p | +1.7 | 599.50p | ...... |
| 3 months | 614.15p | +1.15 | 615.95p | +8.45 |
| 6 months | 629.30p | +1.65 | — | ...... |
| 12 months | 660.80p | +1.55 | — | ...... |

LME (2,000 oz contract): Cash 599.50p (585.25p); three months 615.50p (600.50p). Turnover: 0 (0).

Turnover: 131 (112) lots of 10,000 ozs. Morning: Large 2nd Ring cash 602; three months 617.5. Kerb: Three months 617. Afternoon: Kerb: Large three months 615.

### COCOA

Futures opened a little steadier than the dues and gained ground during the morning session before easing towards the close and ending the day £5.00 below yesterday evening, reports Gill and Duffus.

| COCOA | Yesterday's Close | + or — | Business Done |
|---|---|---|---|
| | £ per tonne | | |
| Sept | 1661-62 | —15.5 | 1679-60 |
| Dec | 1689-90 | —13.0 | 1717-85 |
| March | 1665-66 | —5.0 | 1686-57 |
| May | 1676-77 | —3.5 | 1698-75 |
| July | 1686-88 | —4.0 | 1700-86 |
| Sept | 1696-98 | —6.0 | 1715-93 |
| Dec | 1707-08 | +9.0 | 1711-08 |

Sales: 3,367 (5,884) lots of 10 tonnes.

ICCO indicator prices (U.S. cents per pound): Daily prices for August 15: 98.44 (102.32); five-day average for August 16: 99.65 (99.89).

### COFFEE

In light volume and mixed dealings nearby contracts remained lower while forward positions found good support around unchanged levels, reports Drexel Burnham Lambert. Values moved within a tight range until a weaker New York market prompeted a retracement during a quiet afternoon.

| COFFEE | Yesterd'ys Close | + or — | Business Done |
|---|---|---|---|
| Sept | 2308-09 | —12.5 | 2318-09 |
| Nov | 2311-12 | —18.0 | 2328-12 |
| January | 2240-42 | —8.0 | 2256-40 |
| March | 2076-78 | —4.0 | 2090-77 |
| May | 2049-50 | —3.5 | 2057-50 |
| July | 2039-50 | —6.0 | 2040-30 |
| Sept | 2018-14 | —6.0 | 2020-14 |

Sales: 1,762 (2,810) lots of 5 tonnes.

ICO indicator prices (U.S. cents per pound) for August 14: Comp daily 1979 142.41 (142.06); 15-day average 139.71 (139.00).

### GRAINS

The markets again came under harvest pressure but found good support at lower levels from profit-takers to close around the day's highs. Wheat "A" saw a better volume as harvest progressed with consumer buyers supporting prices to close at the day's highs, reports Muirpace.

| | WHEAT | | BARLEY | |
|---|---|---|---|---|
| Mnth | Yesterd'ys close | + or — | Yesterd's close | + or — |
| Sept | 106.70 | —0.09 | 106.10 | +0.25 |
| Nov | 119.90 | —0.15 | 109.35 | +0.20 |
| Jan | 113.00 | —0.20 | 112.40 | — |
| Mar | 116.10 | — | 115.30 | —0.05 |
| May | 118.95 | —0.15 | 117.70 | —0.05 |
| July | 121.65 | —0.25 | — | — |

HGCA—Locational ex-farm spot prices. Feed—Wheat: Eastern 102.40, E. Mids 102.10, N. East 103.50. Feed—Barley: Eastern 101.10, E. Mids 100.10, N. East 102.00, Scotland 101.70. The UK monetary coefficient for the week beginning Monday August 20 (based on HGCA calculations using 5 days' exchange rates) is expected to remain unchanged at 0.990.

Business done—Wheat: Sept 106.65-106.45, Nov 109.95-109.70, Jan 113.10-112.90, March 116.10-115.90, May 119.00-118.90, July 121.80-121.60. Sales: 243 lots of 100 tonnes. Barley: Sept 106.10-105.80, Nov 109.40-109.10, Jan 112.50-112.30, March 115.35-115.35, May 117.75-117.60. Sales: 232 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1 15 per cent Sept 141, Oct 140.50, Nov 143.25, Dec 147 trans-shipment East Coast. Maize: U.S. No. 3 Yellow/French Aug 150.75 seller trans-shipment East Coast. Rest unquoted.

### PIGMEAT

Prices rallied in improved volume as short-coving and fresh speculative buying pushed prices up to contract highs. There was also a noticeable improvement in physical prices, reports CCST Commodities.

| Month | Yesterdays close | Previous close | Business done |
|---|---|---|---|
| | p. per kilo (deadweight) | | |
| Oct | 122.10 | 121.50 | 122.10-121.7 |
| Nov | 123.90 | 122.90 | 123.90-123.1 |
| Feb | 119.30 | 119.00 | 119.00 |
| April | 119.20 | 118.90 | 119.20-119.1 |
| June | 117.50 | 117.50 | 117.30 |
| Aug | 116.50 | 116.20 | — |

Sales: 96 (63) lots of 50 carcases 3,250 kilos.

### POTATOES

Initial selling lowered prices £2.40 during the morning session to £91.00 basis April, consistent buying interest was evident at these lower levels, sufficient to bring prices back to unchanged by the close.

| Month | Yesterdy's close | Previous close | Business Done |
|---|---|---|---|
| | £ per tonne | | |
| Nov | 72.30 | 73.80 | 72.50-71.00 |
| Feb | 81.00 | 81.50 | — |
| April | 93.30 | 93.40 | 93.50-87.00 |
| May | 99.80 | 99.00 | 99.00-98.50 |
| Nov | 78.00 | 78.00 | — |

Sales: 478 (881) lots of 40 tonnes.

### RUBBER

FUTURES—Close (buyer, seller, business). RSS No 1 £ per tonne. Sept 630, 655, untraded: Oct 641, 660, untraded: Nov 655, 655, untraded: Dec 655, 678, untraded: Jan 678, 690, untraded: Feb 696, 699, untraded: Mar 695, 725, untraded: Apr 704, 735, untraded: May 714, 745, untraded: Oct/Dec 655, 662, untraded: Jan/Mar 685, 700, 696 only: Apr/Jun 710, 744, untraded. Sales: 1 (0) lots of 15 tonnes, 0 (1) lots of 5 tonnes.

PHYSICALS—The London market poned easier, attracted no interest throughout the day and closed idle, reports Lewis and Peat. Closing prices (buyers) spot 63.00p (64.00p). Sept 71.50p (72.25p), Oct 73.00p (73.75p). The Kuala Lumpur September fob price for RSS No 1 was 210.0 (211.0) cents a kg and for SMR 20 was 206.5 (205.5).

### SOYABEAN MEAL

The market opened £1.00 higher in quiet conditions reports, T. G. Roddick. During the afternoon session prices continued to rise closing £1.50-£2.00 higher on the day.

| | Yestday's close | + or — | Business Done |
|---|---|---|---|
| | £ per tonne | | |
| August | — | — | — |
| October | 157.50-57.70 | +2.8 | 158.00-57.90 |
| Dec | 148.50-48.90 | +2.5 | 148.50-42.50 |
| Feb | 150.60-50.80 | +2.75 | 150.50-49.50 |
| Apr | 151.00-51.30 | +2.45 | 151.00-50.50 |
| June | 150.00-50.60 | +2.55 | 150.00 |
| August | 155.00-55.60 | +4.15 | 155.00-52.80 |

Sales: 17 (18) lots of 100 tonnes, 111 (15) lots of 20 tonnes.

### SUGAR

LONDON DAILY PRICE—Raw sugar £82.00 ($108.00), unchanged (unchanged) a tonne for August-September delivery. White sugar $150.00 unchanged.

The market declined around $5.00 as keen selling entered the market encountering only light scale down buying. Final prices were just above the low points.

| No. 6 Contract | Yest'day's close | Previous close | Business done |
|---|---|---|---|
| | $ per tonne | | |
| Oct. | 112.20-12.40 | 115.60-17.00 | 117.20-12.00 |
| Dec | 121.00-21.40 | 124.60-25.00 | 125.40-20.80 |
| Mar | 135.40-35.80 | 139.80-40.00 | 140.40-38.20 |
| May | 142.40-42.60 | 145.60-46.00 | 146.00-42.00 |
| Aug | 151.00-52.00 | 154.50-55.00 | 155.20-52.00 |
| Oct | 159.40-59.60 | 162.60-62.80 | 155.00-59.00 |
| Dec | 166.80-67.40 | 169.00-71.00 | — |

Sales: No. 6 3,606 (2,332) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £196.00 (£196.00) a tonne for export.

International Sugar Agreements — (U.S. cents per pound fob and stowed Caribbean ports). Prices to August 14: Daily price 3.86 (3.84); 15-day average 4.15 (4.20).

### COTTON

sales amounted to 148 tonnes. Trading continued on a steady scale. A routine turnover was also evident in Middle Eastern styles.

### WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order, buyer, seller, business.) Australian cents per kg. Oct 564.0, 566.0, 564.0-564.0; Dec 569.0, 572.0, untraded; March 577.0, 580.0, untraded: May 584.5, 586.0, untraded: July 592.0, 598.0, untraded: Oct 585.0, 600.0, untraded: Dec 589.0, 605.0, untraded: March 590.0, 610.0, untraded. Sales: 2.

LONDON NEW ZEALAND CROSS-BREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. Aug 508 seller, untraded: Oct 498, 505, 500-498; Dec 504, 507, 505-503; Jan 504, 510, 506-504; March 510, 514, 510-509; May 516, 521, 516-515; Aug 529, 532, 532-530; Oct 530, 535, 532-530; Dec 532, 536, 533; Jan 533, 538, 536-533. Sales: 67.

### MEAT/FISH

MEAT COMMISSION — Average fatstock prices at representative markets. GB—Cattle 95.56p per kg lw (+0.99). GB—Sheep 147.47p per kg est dcw (—3.76). GB—Pigs 84.44p per kg lw (+1.89).

*SMITHFIELD*—Pence per pound. Beef: Scottish killed sides 76.0 to 81.0; English forequarters 52.0 to 56.0; Ulster hindquarters 85.0-90.0. Veal: Dutch hinds and ends 129.0 to 133.5. Lamb: English small 64.0 to 72.0, medium 62.0 to 69.0, heavy 60.0 to 66.0, Scottish medium 63.5 to 65.0, heavy 61.5 to 63.5; Imported: New Zealand PL 66.5 to 67.8, PX 59.8 to 61.0. Pork: English, under 100 lb 51.0 to 58.0, 100-120 lb 52.0 to 56.5, 120-160 lb 46.0 to 56.0.

### INDICES

FINANCIAL TIMES

| Aug. 14 | Aug. 13 | M'th ago | Year ago |
|---|---|---|---|
| 294.46 | 292.44 | 299.76 | 293.34 |

(Base: July 1 1952 = 100)

REUTERS

| Aug. 15 | Aug. 14 | M'th ago | Year ago |
|---|---|---|---|
| 1859.6 | 1873.6 | 1905.7 | 1935.7 |

Base: September 18 1931 = 100)

MOODY'S

| Aug. 14 | Aug 10 | M'th ago | Yearago |
|---|---|---|---|
| 1012.4 | 1016.2 | 1034.4 | 1079.9 |

(Base: December 31 1931 = 100)

DOW JONES

| Dow Jones | Aug. 14 | Aug. 10 | Month ago | Year ago |
|---|---|---|---|---|
| Spot | — | 130.32 | 131.36 | 146.58 |
| Fut | — | 129.14 | 128.52 | 150.87 |

(Base: December 31 1974 = 100)

COVENT GARDEN—Prices for the bulk of produce in sterling per package unless otherwise stated. Imported produce: Oranges—Spania: Valencia Lates 9.00-9.50; Outspan: 9.50-10.50; Brazilian: 10.50-11.00. Mineolas—Outspan: 7.50. Tangerines—Brazilian: Murcots 6.00-6.50, Honey 6.00-6.40. Lemons—Spania: 5 kg 1.80-2.20, 15 kg 4.50-5.00; Outspan: 15 kg 4.50-6.50; Uruguayan: 20 kg 6.00-6.40. Grapefruit—Outspan: Marsh Seedless 27 5.10, 32 5.85, 36 6.15, 40 6.50, 48 6.70, 56 7.05, 64 6.90, 72 6.50. Odds 60p less, Rose 32 6.00, 36 6.40, 40 6.30, 48 6.70, 56 6.40, 64 6.00; Uruguayan: 16 kg 7.20-7.50. Kumquats—Brazilian: Box 5.00-6.00. Apples—Cape: Granny Smith 14.00-14.50; French: Golden Delicious carton 7.50-10.00; Italian: Per pound, Jersey Mac 0.15-0.16; Chilean: Granny Smith 11.00-11.50, Red Delicious 11.50-12.00; Spanish: Golden Delicious new crop, cartons 10.00-11.00; New Zealand: Dougherty 12.00-12.50. Pears—Spanish: William's 4.00-5.00; French: William's 13 lb 4.20-4.40, Guyot 13 kg 3.20-3.50; Italian: Approx 20 lb Guyot 3.50-4.50. Peaches—Italian: Tray 2.10-2.80, large trays 2.80-4.00, 1-kg punnet 0.50-0.55; French: Trays 2.20-3.20, small cartons 1.20-1.40. Nectarines—Italian: Large trays 3.30-4.80, 1-kg punnet 0.50-0.60, standard tray 2.20-3.00; French: Trays 2.60-3.00, small cartons 1.20-1.60. Plums—Spanish: Tray Santa Rosa 2.50-4.00; U.S.: Per pound 0.60; French: 9 kg Gages 4.00-4.50; Italian: Burbank 18 lb 3.50-4.00, Giant Prune 18 lb 5.40-5.50, Belles 18 lb 5.00-5.20. Cherries—U.S.: Per pound 0.95-1.00. Strawberries—U.S.: Per punnet 1.20. Grapes—Cyprus: Sultana 3.30-3.90, Thompson 5.50; Italian: Regina 9 lb 2.60-3.00, 12 lb 4.00-4.20; Spanish: Cardinal 5 kg 3.80-4.00; Greek: Sultana 6 kg 3.90. Melons—Spanish: Large boxes, yellow 2.70-3.00; Israeli: Ogen 5.00-7.50; Dutch: Ogen 7.00-8.00; French: Charentais large boxes 6.00-7.00, Galia 5.00-5.50. Water-melons—Spanish: 2.40-3.00; Italian: Large box 5.00-5.50; Greek: 2.50-3.00. Bananas—Windward Islands: Approx 28-lb carton 7.50-8.00; Colombian: Approx 40-lb carton 11.00-11.50. Avocados—U.S.: 7.50-8.50; Kenyan: 5.00-6.00; Cape: 6.00-7.00. Pineapples—Each, Ghana: 6's 1.60-1.80; Ivory Coast: Airfreight A's 2.00, B's 1.50; Kenyan: 6's medium 1.40-1.50, large 1.80-2.00; Cape: Swallow (seafreight) 9's 0.65-0.70. Paw Paws—Brazilian: 6.50-7.50. Kiwifruit—New Zealand: 6.00-6.50. Mangoes—Kenyan: 6.00-6.50; Mexican: 7.00-7.50; U.S.: 7.50-8.00. Tomatoes—Dutch: Trays 2.90-3.00. Beefsteak 5.00-5.50; Guernsey: 2.60-2.80. Aubergines—Dutch: 4.00-4.50.

## AMERICAN MARKETS

NEW YORK, August 15

Precious metals came under heavy selling early and rallied for minor gains midway through the day. However prices faded late in the day. Copper prices were slightly lower despite favourable stock reductions on the LME and Comex. Arbitrage activity could not keep abreast of the erratic currency moves and failed to provide the usual support for the market to respond to positive outside influences, including arbitrage, attracting long liquidation. Sugar prices continued to make new contract lows as recent bargain hunting and bottom picking turned into long liquidation. Cotton prices declined moderately on some trade hedging and technically oriented selling. Cocoa prices retreated from yesterday's close on profit-taking and dealer selling as the market continues to be jittery about Nigerian shipping delays. Coffee prices collapsed as the likelihood of a quota cut appeared very remote following the recent price advance. Heating oil prices were virtually unchanged following a neutral distillate stick report. Soyabeans and grains were lightly mixed as attempts by locals to break the markets failed, reports Heinold Commodities.

### NEW YORK

ALUMINIUM 40,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Aug | 5163 | — | — | 5230 |
| Sept | 5190 | 5230 | 5170 | 5260 |
| Oct | 5250 | — | — | 5320 |
| Dec | 5370 | 5430 | 5350 | 5440 |
| Jan | 5430 | — | — | 5500 |
| March | 5550 | — | — | 5620 |
| May | 5670 | — | — | 5740 |
| Juply | 5790 | 5790 | 5790 | 5860 |
| Sept | 5910 | — | — | 5980 |
| Dec | 6090 | — | — | 6160 |

COCOA 10 tonnes, $/tonnes

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 2240 | 2280 | 2235 | 2275 |
| Dec | 2091 | 2131 | 2090 | 2129 |
| March | 2100 | 2125 | 2099 | 2131 |
| May | 2125 | 2125 | 2125 | 2141 |
| July | — | — | — | 2181 |
| Sept | — | — | — | 2181 |
| Dec | — | — | — | 2211 |

COFFEE "C" 37,000 lbs, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 146.31 | 146.75 | 144.51 | 147.00 |
| Dec | 142.48 | 143.75 | 141.76 | 144.01 |
| March | 139.50 | 140.50 | 139.05 | 140.78 |
| May | 137.20 | 139.25 | 137.40 | 138.45 |
| July | 136.49 | 136.00 | 135.49 | 136.63 |
| Sept | 134.18 | 134.50 | 134.46 | 135.00 |
| Dec | 131.31 | — | — | 132.00 |

COPPER 25,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Aug | 59.25 | — | — | 59.45 |
| Sept | 59.60 | 60.10 | 59.20 | 59.85 |
| Oct | 60.25 | — | — | 60.50 |
| Dec | 61.45 | 62.00 | 61.10 | 61.70 |
| Jan | 62.15 | — | — | 62.35 |
| March | 63.30 | 63.70 | 63.10 | 63.50 |
| May | 64.55 | 64.90 | 64.40 | 64.75 |
| July | 65.75 | 66.00 | 65.65 | 65.95 |
| Sept | 67.00 | 66.85 | 66.85 | 67.20 |
| Dec | 68.90 | 68.70 | 68.70 | 69.10 |

COTTON 50,000 lbs, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Oct | 65.35 | 65.58 | 65.25 | 65.43 |
| Dec | 66.18 | 66.45 | 66.10 | 66.42 |
| March | 67.95 | 68.13 | 67.82 | 68.25 |
| May | 69.10 | 69.10 | 69.00 | 69.00 |
| Oct | — | — | — | 69.90 |

CRUDE OIL (LIGHT) 42,000 U.S. gallons, cents/U.S. gallons

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 29.23 | 29.30 | 29.18 | 29.25 |
| Oct | 29.39 | 29.68 | 29.33 | 29.44 |
| Nov | 29.50 | 29.70 | 29.48 | 29.57 |
| Dec | 29.64 | 29.80 | 29.60 | 29.70 |
| Jan | 29.58 | 29.70 | 29.58 | 29.65 |
| Feb | 29.55 | 29.55 | 29.50 | 29.45 |
| March | 29.50 | 29.55 | 29.35 | 29.40 |
| April | 29.35 | 29.35 | 29.35 | 29.40 |
| May | — | — | — | 29.20 |
| June | — | — | — | 29.20 |

GOLD 100 troy oz, $/troy oz

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Aug | 354.5 | 356.5 | 349.5 | 355.0 |
| Sept | 354.0 | 354.0 | 354.0 | 356.3 |
| Oct | 350.7 | 361.0 | 354.0 | 359.9 |
| Dec | 365.7 | 368.0 | 361.0 | 366.8 |
| Feb | 372.7 | 375.0 | 369.0 | 373.9 |
| April | 379.5 | 379.6 | 376.0 | 381.0 |
| June | 386.3 | 387.0 | 383.5 | 388.5 |
| Aug | 396.5 | 399.0 | 391.0 | 396.4 |
| Oct | — | — | — | 404.5 |

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 76.90 | 77.20 | 76.60 | 76.74 |
| Oct | 78.10 | 78.40 | 77.75 | 77.87 |
| Nov | 79.35 | 79.60 | 79.00 | 79.06 |
| Dec | 80.40 | 80.85 | 80.25 | 80.21 |
| Jan | 80.80 | 80.80 | 80.80 | 80.60 |
| Feb | 80.25 | 80.45 | 80.00 | 79.75 |
| March | 78.25 | 78.65 | 78.25 | 78.40 |
| April | 76.00 | 76.00 | 75.75 | 76.25 |
| May | — | — | — | 77.20 |
| June | — | — | — | 75.50 |

ORANGE JUICE 15,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 172.35 | 172.80 | 171.10 | 172.15 |
| Nov | 171.25 | 171.25 | 170.50 | 171.25 |
| Jan | 170.60 | 170.20 | 169.70 | 170.05 |
| March | 170.60 | 170.00 | 170.00 | 170.00 |
| Sept | 170.60 | — | — | 170.20 |
| Nov | 170.60 | — | — | 170.20 |
| Jan | 170.60 | — | — | 170.20 |

PLATINUM 50 troy oz, $/troy oz

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | — | — | — | 347.4 |
| Oct | 349.5 | 351.0 | 345.5 | 350.0 |
| Nov | — | — | — | 346.7 |
| Jan | 358.0 | 360.5 | 357.2 | 360.3 |
| April | 369.0 | 369.5 | 367.0 | 369.3 |
| July | 376.0 | 377.0 | 376.0 | 378.3 |
| Oct | — | — | — | 387.8 |

SILVER 5,000 troy oz, cents/troy oz

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Aug | 799.0 | — | — | 801.5 |
| Sept | 803.0 | 811.0 | 798.0 | 808.0 |
| Oct | 810.8 | — | — | 813.8 |
| Dec | 826.2 | 835.0 | 812.0 | 829.2 |
| Jan | 834.2 | — | — | 837.2 |
| March | 850.4 | 857.0 | 839.5 | 853.4 |
| May | 866.9 | 868.5 | 852.0 | 869.9 |
| July | 884.0 | 890.0 | 869.0 | 887.0 |
| Sept | 902.5 | 906.0 | 897.0 | 905.5 |
| Dec | 930.7 | 934.0 | 930.0 | 933.7 |

SUGAR WORLD "11" 112,000 lb, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 3.70 | 3.80 | 3.70 | 3.84 |
| Oct | 3.93 | 4.05 | 3.90 | 4.09 |
| Jan | 4.45 | 4.53 | 4.45 | 4.54 |
| March | 5.00 | 5.08 | 4.94 | 5.14 |
| May | 5.33 | 5.35 | 5.25 | 5.41 |
| July | 5.63 | 5.68 | 5.57 | 5.70 |
| Sept | 5.86 | 5.90 | 5.81 | 5.99 |
| Oct | 6.05 | 6.15 | 6.03 | 6.17 |
| Jan | 6.45 | 6.53 | 6.45 | 6.53 |

### CHICAGO

LIVE CATTLE 40,000 lbs, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| August | 64.82 | 65.07 | 64.75 | 65.05 |
| Oct | 62.72 | 63.20 | 62.70 | 62.97 |
| Dec | 63.80 | 64.20 | 63.70 | 63.90 |
| Feb | 64.47 | 64.87 | 64.45 | 64.55 |
| April | 65.25 | 65.75 | 65.25 | 65.30 |
| June | 66.32 | 66.57 | 66.15 | 66.40 |

LIVE HOGS 30,000 lbs, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| August | 53.47 | 53.70 | 52.85 | 53.05 |
| Oct | 49.15 | 49.40 | 48.75 | 49.17 |
| Dec | 50.70 | 51.30 | 50.60 | 50.92 |
| Feb | 52.85 | 53.20 | 52.72 | 53.07 |
| *April* | 49.15 | 49.50 | 49.00 | 49.32 |
| June | 52.22 | 52.60 | 52.10 | 52.45 |
| July | 53.57 | 53.85 | 53.65 | 53.80 |
| August | 51.00 | 51.05 | 51.00 | 51.05 |
| Oct | 49.45 | 49.45 | 49.45 | 49.50 |

MAIZE 5,000 bu min, cents/56lb-bushel

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 298.2 | 299.4 | 295.6 | 298.0 |
| Dec | 286.2 | 287.4 | 285.2 | 287.2 |
| March | 294.6 | 295.6 | 293.4 | 296.0 |
| May | 301.2 | 302.4 | 300.0 | 302.6 |
| July | 304.2 | 306.0 | 303.6 | 306.2 |
| Sept | 297.2 | 297.4 | 296.4 | 299.0 |
| Dec | — | 289.0 | 288.4 | 291.0 |

PORK BELLIES 38,000 lbs, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| August | 55.80 | 55.80 | 53.00 | 53.80 |
| Feb | 67.60 | 68.80 | 67.10 | 68.10 |
| March | 66.25 | 67.70 | 66.00 | 66.97 |
| May | 67.65 | 68.55 | 67.40 | 68.20 |
| July | 69.00 | 69.70 | 68.60 | 69.60 |
| August | 67.00 | 67.75 | 67.00 | 67.40 |

SOYABEANS 5,000 bu min, cents/60lb-bushel

| | Close | High | Low | Prev |
|---|---|---|---|---|
| August | 676.0 | 677.0 | 665.4 | 672.4 |
| Sept | 659.0 | 663.0 | 652.4 | 660.4 |
| Nov | 656.0 | 661.0 | 649.0 | 654.4 |
| Jan | 669.4 | 674.0 | 662.4 | 672.0 |
| March | 686.4 | 689.0 | 677.0 | 686.6 |
| May | 696.4 | 698.0 | 688.0 | 696.4 |
| July | 701.0 | 704.0 | 693.0 | 702.0 |
| August | 698.0 | 698.0 | 693.0 | 699.0 |
| Sept | 663.0 | 665.0 | 663.0 | 667.0 |
| Nov | 645.0 | 647.0 | 643.0 | 649.0 |

SOYABEAN MEAL 100 tons, $/ton

| | Close | High | Low | Prev |
|---|---|---|---|---|
| August | 159.3 | 160.7 | 158.5 | 160.6 |
| Sept | 161.8 | 163.0 | 160.2 | 162.8 |
| Oct | 163.9 | 165.5 | 162.8 | 164.7 |
| Dec | 169.8 | 171.0 | 168.3 | 170.4 |
| Jan | 172.5 | 173.8 | 171.3 | 173.0 |
| March | 176.0 | 177.0 | 174.0 | 175.1 |
| May | 178.6 | — | — | 178.7 |
| July | 182.0 | 183.0 | 182.0 | 181.7 |

SOYABEAN OIL 60,000 lbs, cents/lb

| | Close | High | Low | Prev |
|---|---|---|---|---|
| August | 29.15 | 29.35 | 29.10 | 29.18 |
| Sept | 28.15 | 28.80 | 27.95 | 28.38 |
| Oct | 27.37 | 27.70 | 27.10 | 27.37 |
| Dec | 26.72 | 26.95 | 26.38 | 26.58 |
| Jan | 26.65 | 26.75 | 26.35 | 26.52 |
| March | 26.60 | 26.75 | 26.35 | 26.55 |
| May | 26.50 | 26.70 | 26.35 | 26.55 |
| July | 26.40 | 26.50 | 26.25 | 26.47 |
| August | 26.05 | — | — | — |

WHEAT 5,000 bu min, cents/60lb-bushel

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 347.4 | 350.6 | 345.0 | 350.2 |
| Dec | 365.0 | 368.0 | 363.6 | 368.2 |
| March | 375.6 | 378.2 | 373.4 | 378.2 |
| May | 376.0 | 379.2 | 374.2 | 378.2 |
| July | 361.0 | 364.0 | 359.4 | 363.6 |
| Sept | — | — | — | 370.0 |

SPOT PRICES—Chicago loose lard 29.00 (28.50) cents per pound. New York tin 562.00-570.00 (570.00-577.00) cents per pound.

# CURRENCIES, MONEY and CAPITAL MARKETS

## FOREIGN EXCHANGES

# Dollar falls in volatile trade

The dollar was weak for most of yesterday in volatile and nervous trading. A surprising fall in U.S. retail sales announced Tuesday depressed the currency in early European trading, and although there were one or two attempts to push the dollar higher it continued to fall in New York after the London close.

A rise of 0.9 per cent in July U.S. industrial production was above some expectations, but within the generally anticipated range of 0.7 per cent to 1.0 per cent, and failed to generate any strong support for the dollar. Shortly after, intervention for the second day running by the Federal Rserve to drain liquidity from the New York banking system was again seen as largely technical and not as a sign of higher interest rates.

At the London close the dollar had fallen to DM 2.8715 from DM 2.8880 against the D-mark; FFr 8.83 from FFr 8.86 against the French franc; and SwFr 2.4065 from SwFr 2.4210 against the Swiss franc, but was unchanged at Y241.60 in terms of the yen.

On Bank of England figures the dollar's trade-weighted index rose to 136.6 from 136.4.

STERLING — Trading range against the dollar in 1984 is 1.4905 to 1.3020. July average 1.3210. Trade-weighted index 78.7, unchanged from noon, against 78.8 at the opening and the previous close, and 81.8 six months ago.

Sterling rose slightly against the dollar but lost ground to other major currencies. The pound gained 15 point to close at $1.3195-1.3205 after touching a peak of $1.3250. It fell to DM 3.80 from DM 3.8050; FFr 11.6575 from FFr 11.71; SwFr 3.1825 from SwFr 3.1925; and Y19.25 from Y319.75.

D-MARK — Trading range against the dollar in 1984 is 2.8145 to 2.5535. July average 2.8473. Trade weighted index 123.6 against 126.3 six months ago.

The dollar fell to DM 2.8787 against the D-mark at yesterday's fixing in Frankfurt, down from DM 8951 on Tuesday. There was no intervention by the Bundesbank at the fixing. The fixing level reflected an improvement from the opening level of DM 2.8670, however, as the market adjusted positions after the dollar's fall on disappointing U.S. retail sales in July. A rise of 0.9 per cent in U.S. industrial production was in line with market expectations but still served to push the dollar firmer.

Sterling was easier at DM 3.8030 down from DM 3.8110 while the Swiss franc improved tot DM 1.1936 from DM 1.1887. Within the EMS the Belgian franc was lower at DM 4.9440 from DM 4.9480 per BFr 100 but the French franc was stronger at DM 32.6 per FFr 100 compared with FFr 32.58.

DUTCH GUILDER — Trading rangeagainst the dollar in 1984 is 3.2935 to 2.8790. July average 3.2138. Trade weighted index 113.4 against 115.0 six months ago.

The Dutch guilder was mostly firmer at yesterday's fixing in Amsterdam. The dollar fell to Fl 3.2435 from Fl 3.2630 and sterling was weaker at Fl 4.28 compared with Fl 4.2970. The Swiss franc was a little firmer however at Fl 1.3437 against Fl 1.3394. Within the EMS the D-mark softened to Fl 1.1258 from Fl 1.1264½ and the Belgian franc to Fl 15.57 per BFr 100 from Fl 5.5750. The French franc was marginally firmer at Fl 36.705 from Fl 36.70 per FFr 100.

### EMS EUROPEAN CURRENCY UNIT RATES

| | Ecu central rates | Currency amounts against Ecu August 16 | % change from central rate | % change adjusted for divergence | Divergence limit % |
|---|---|---|---|---|---|
| Belgian Franc ... | 44.9008 | 45.2784 | +0.84 | +0.81 | ±1.5447 |
| Danish Krone ... | 8.14104 | 8.16890 | +0.34 | +0.31 | ±1.6425 |
| German D-Mark | 2.24184 | 2.24131 | −0.02 | −0.05 | ±1.0642 |
| French Franc ... | 6.87456 | 6.87985 | +0.08 | +0.05 | ±1.4052 |
| Dutch Guilder ... | 2.52595 | 2.52274 | −0.13 | −0.16 | ±1.4964 |
| Irish Punt ...... | 0.72569 | 0.727227 | +0.21 | +0.18 | ±1.6699 |
| Italian Lira ...... | 1403.49 | 1378.31 | −1.79 | −1.79 | ±4.1505 |

Changes are for Ecu, therefore positive change denotes a week currency. Adjustment calculated by Financial Times.

### £ in New York Latest

| | Aug. 15 | Prev. close |
|---|---|---|
| Spot | $1.3245-3255 | $1.3240-3250 |
| 1 month | 0.12-0.16 dis | 0.14-0.16 dis |
| 3 months | 0.50-0.54 dis | 0.53-0.56 dis |
| 12 months | 2.40-2.50 dis | 2.60-2.75 dis |

Forward premiums and discounts apply to the U.S. dollar.

### OTHER CURRENCIES

| Aug. 15 | £ | $ | | £ Note Rates |
|---|---|---|---|---|
| Argentina Peso | [illegible] | [illegible] | Austria | 26.60-26.90 |
| Australia Dollar | [illegible] | [illegible] | Belgium | 77.25-78.05 |
| Brazil Cruzeiro | [illegible] | [illegible] | Denmark | 13.78-13.92 |
| Finland Markka | [illegible] | [illegible] | France | 11.60-11.72 |
| Greek Drachma | [illegible] | [illegible] | Germany | 3.78¼-3.82¼ |
| Hong Kong Dollar | [illegible] | [illegible] | Italy | [illegible] |
| Iran Rial | [illegible] | [illegible] | Japan | [illegible] |
| Kuwait Dinar(KD) | [illegible] | [illegible] | Netherlands | [illegible] |
| Luxembourg Fr. | [illegible] | [illegible] | Norway | [illegible] |
| Malaysia Dollar | [illegible] | [illegible] | Portugal | [illegible] |
| New Zealand Dlr. | [illegible] | [illegible] | Spain | [illegible] |
| Saudi Arab. Riyal | [illegible] | [illegible] | Sweden | [illegible] |
| Singapore Dollar | [illegible] | [illegible] | Switzerland | [illegible] |
| Sth African Rand | [illegible] | [illegible] | United States | [illegible] |
| U.A.E. Dirham | [illegible] | [illegible] | Yugoslavia | [illegible] |

* Selling rate.

### CURRENCY MOVEMENTS

| Aug. 15 | Bank of England Index | Morgan Guaranty Changes% |
|---|---|---|
| Sterling | 78.7 | −11.8 |
| U.S.dollar | 136.6 | +23.8 |
| Canadian dollar | 89.7 | −3.1 |
| Austrian schilling | 114.0 | +3.7 |
| Belgian franc | 89.7 | −10.9 |
| Danish Kroner | 77.2 | −6.2 |
| Deutsche mark | 123.6 | +7.3 |
| Swiss franc | 142.1 | +8.7 |
| Guilder | 113.4 | +3.9 |
| French franc | 65.3 | −15.6 |
| Lira | 47.9 | −13.2 |
| Yen | 164.8 | +11.5 |

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (base average 1975=100).

### CURRENCY RATES

| Aug. 15 | Bank rate % | Special Drawing Rights | European Currency Unit |
|---|---|---|---|
| Sterling | — | 0.770247 | 0.589857 |
| U.S. $ | 9 | 1.01765 | 0.779587 |
| Canadian $ | 12.44 | * | 1.01705 |
| Austria Sch | 4½ | n/a | 15.7555 |
| Belgian Fr | 11 | n/a | 45.2784 |
| Danish Kr | 7 | 10.6446 | 8.16890 |
| D'mark | 4½ | 2.92951 | 2.24131 |
| Guilder | 5 | 3.30075 | 2.52274 |
| French Fr | 9½ | n/a | 6.87985 |
| Lira | 15½ | n/a | 1378.31 |
| Yen | 5 | 245.406 | 188.660 |
| Norwgn Kr | 8 | 8.40732 | 6.44407 |
| Spanish Pta | — | n/a | 127.852 |
| Swedish Kr | 9 | 8.47865 | 6.49201 |
| Swiss Fr | 4 | 2.45630 | 1.87662 |
| Greek Dr'ch | 20½ | n/a | 89.2527 |
| Irish Punt | 12¾ | 0.949300 | 0.727227 |

* C$/SDR rate for August 10: Not available.

### THE POUND SPOT AND FORWARD

| Aug 15 | Day's spread | Close | One month | % p.a. | Three months | % p.a. |
|---|---|---|---|---|---|---|
| U.S. | 1.3180-1.3250 | 1.3195-1.3205 | 0.11-0.15c dis | −1.18 | 0.48-0.53dis | −1.53 |
| Canada | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | −2.05 |
| Nethlnd. | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | 4.03 |
| Belgium | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | −0.96 |
| Denmark | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | −1.22 |
| Ireland | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | −2.84 |
| W. Ger. | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Portugal | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Spain | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Italy | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Norway | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| France | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Sweden | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Japan | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Austria | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Switz. | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

### THE DOLLAR SPOT AND FORWARD

| Aug 15 | Day's spread | Close | One month | % p.a. | Three months | % p.a. |
|---|---|---|---|---|---|---|
| UK† | 1.3180-1.3250 | 1.3195-1.3205 | 0.11-0.15c dis | −1.18 | 0.48-0.53dis | −1.53 |
| Ireland† | 1.0680-1.0785 | 1.0755-1.0765 | 0.09-0.04c pm | 0.73 | 0.27-0.17pm | 0.82 |
| Canada | 1.3035-1.3060 | 1.3035-1.3040 | 0.06-0.08c dis | −0.64 | 0.13-0.16dis | −0.44 |
| Nethlnd. | 3.2330-3.2460 | 3.2375-3.2395 | 1.59-1.55c pm | 5.80 | 4.57-4.52pm | 5.60 |
| Belgium | 58.00-58.35 | 58.13-58.18 | 2½-1½c pm | 0.41 | 11-8pm | 0.65 |
| Denmark | 10.45½-10.51½ | 10.50-10.50½ | 1-½ore pm | 0.86 | 3-2½pm | 1.05 |
| W. Ger. | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Portugal | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Spain | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Italy | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Norway | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| France | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Sweden | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Japan | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Austria | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| Switz. | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

### EXCHANGE CROSS RATES

| Aug. 15 | Pound St'rling | U.S. Dollar | Deutsche m'rk | J'panese Yen | French Franc | Swiss Franc | Dutch Guild | Italian Lira | Canada Dollar | Belgian Franc |
|---|---|---|---|---|---|---|---|---|---|---|
| Pound Sterling | 1. | 1.320 | 3.800 | 319.3 | 11.659 | 3.183 | 4.275 | 2344. | 1.721 | 76.70 |
| U.S. Dollar | 0.758 | 1. | 2.879 | 241.6 | 8.830 | 2.409 | 3.238 | 1771. | 1.304 | 58.15 |
| Deutschemark | 0.263 | 0.347 | 1. | 84.01 | 3.068 | 0.837 | 1.125 | 614.2 | 0.453 | 20.18 |
| Japanese Yen 1,000 | 3.132 | 4.135 | 11.90 | 1000. | 36.52 | 9.964 | 13.39 | 7311. | 5.391 | 240.2 |
| French Franc 10 | 0.858 | 1.132 | 3.260 | 273.9 | 10. | 2.730 | 3.667 | 2002 | 1.476 | 65.79 |
| Swiss Franc | 0.314 | 0.415 | 1.194 | 100.3 | 3.663 | 1. | 1.343 | 733.4 | 0.541 | 24.10 |
| Dutch Guilder | 0.234 | 0.309 | 0.889 | 74.68 | 2.727 | 0.744 | 1. | 546.0 | 0.403 | 17.94 |
| Italian Lira 1,000 | 0.426 | 0.565 | 1.626 | 136.8 | 4.995 | 1.364 | 1.832 | 1000. | 0.737 | 32.86 |
| Canadian Dollar | 0.581 | 0.767 | 2.208 | 185.5 | 6.774 | 1.849 | 2.484 | 1356. | 1. | 44.57 |
| Belgian Franc 100 | 1.304 | 1.721 | 4.954 | 416.2 | 15.20 | 4.149 | 5.574 | 3045. | 2.244 | 100. |

### EURO-CURRENCY INTEREST RATES (Market closing rates)

| Aug. 15 | Sterling | U.S. Dollar | Canadian Dollar | Dutch Guilder | Swiss Franc | D-mark | French Franc | Italian Lira | Belgian Franc Conv. | Belgian Franc Fin. | Yen | Danish Krone |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Short term | 11⅛-11¼ | 11⅝-11⅞ | 11¾-12¼ | 5 11/16-5 13/16 | 2-2¼ | 5-5⅛ | 11-11⅛ | 13½-14½ | 11-11¼ | 11⅛-11⅝ | 6 7/16-6 9/16 | 10⅝-10⅞ |
| 7 days' notice | 11-11⅛ | 11 9/16-11 13/16 | 11⅞-12¼ | 5 13/16-5 15/16 | 1½-2 | 5 1/16-5 3/16 | 11 1/16-11 3/16 | 13⅝-14⅛ | 11-11¼ | 11⅛-11⅝ | 6 7/16-6 9/16 | 10½-11 |
| Month | 10⅝-10¾ | 11 9/16-11 11/16 | 12 3/16-12⅜ | 5 9/16-5 11/16 | 4 1/16-4 3/16 | 5 7/16-5 9/16 | 11 9/16-11⅞ | 13⅞-14⅛ | 11-11⅛ | 11¼-11½ | 6 7/16-6 9/16 | 11-11½ |
| Three months | 10⅝-10¾ | 11¾-11⅞ | 12¼-12 7/16 | 6¼-6⅜ | 4 3/16-4 5/16 | 5 9/16-5 11/16 | 11⅛-11⅝ | 14⅛-15 | 11-11⅛ | 11¼-11½ | 6 7/16-6 9/16 | 11¼-11¾ |
| Six months | 10⅝-10¾ | 12-12⅛ | 12 5/16-12⅝ | 6⅜-6¾ | 4 5/16-5 1/16 | 6-6⅛ | 12 1/16-12 3/16 | 15-15⅞ | 11¼-11¾ | 11⅜-11⅝ | 6 9/16-6 11/16 | 11⅝-11⅞ |
| One year | 10½-10⅝ | 12 7/16-12 9/16 | 12⅝-12 15/16 | 6⅞-7 | 4⅞-5 | 6⅜-6½ | 12⅝-12⅞ | 15⅞-16⅜ | 11½-12 | 11½-11¾ | 6 9/16-6 11/16 | 11⅝-12⅛ |

Asian $ (closing rates in Singapore): Short-term 11½-11⅝ per cent; seven days 11½-11⅝ per cent; one month 11⅝-11⅝ per cent; three months 11 13/16-11 15/16 per cent; six months 12 1/16-12 3/16 per cent; on year 12 5/16-12 7/16 per cent. Long-term Eurodollars: two years 13-13⅛ per cent; three years 13¼-13½ per cent; four years 13⅜-13⅝ per cent; five years 13½-13¾ per cent nominal closing rates. Short-term rates are call for U.S. dollars and Japanese yen: others two days' notice.

## MONEY MARKETS

# London rates continue to ease

Interest rates continued to decline on the London money market yesterday amid speculation of an imminent cut in clearing bank base rates. The discount houses were again reluctant to sell high yielding paper outright to the Bank of England, and in the early morning were also reluctant to enter into repurchase agreements of almost two weeks at an interest rate in line with the present base rate.

**UK clearing banks' base lending rate 11 per cent (since August 11)**

Dealers suggested the market was at first looking for a reduction of 1 per cent in base rates, but may have adjusted its sights a little towards the close to a possible cut of ½ per cent to ¾ per cent, to be followed by another fall in a week or so. There were also comments about a lack of liquidity in the market contributing to the inability of the authorities to buy bills outright in recent days. Three-month sterling interbank fell to 10 13/16 per cent from 10 15/16 per cent, but discount houses buying rates for three-month eligible bank bills firmed to 10 3/32 from 9 63-64ths.

A market shortage of about £550m was initially forecast by the authorities, but this was revised to £600m at noon and to £500m in the afternoon. Total help was £467m, almost entirely through purchases of bills for resale to the market later this month.

The Bank of England offered an early round of help, but the olng resale date of August 28 made the houses prefer to wait for more attractive terms, and at that time only £34m bills were bought at an unchanged rate of 11 per cent.

Bferroe lunch the authorities purchased another £312m bills by way of £287m for resale to the market on August 21; £23m for resale on August 23, and £2m for resale on August 24, all at a rate of 11 per cent.

In the afternoon £46m of help was given, including £34m bills for resale on August 23, and £4m for resale on August 24, at 11 per cent, plus £8m bank bills outright in band 1 (up to 14 days maturity) at 11 per cent.

Late assistance of £75m was also provided.

Bills maturing in official hands, repayment of late assistance and a take-up of Treasury bills drained £237m, while the unwinding of repurchase agreements absorbed £508m; a rise in the note circulation £70m; and bank balances below target £145m. These outweighed Exchequer transactions adding £405m to liquidity, including payment of £317m in housing benefit to local authorities.

### MONEY RATES

| Aug. 15 | Frankfurt | Paris | Zurich | Amst'dam | Tokyo | Milan | Brussels | Dublin |
|---|---|---|---|---|---|---|---|---|
| Overnight | 5.50 | 11⅛ | 1½-2 | 5⅝-5½ | 6.29625 | 16¼-16⅝ | 9.25 | 18⅜-18⅝ |
| One month | 5.7-5.85 | 11¼-11⅜ | 4 5/16-4 7/16 | 5 7/16-5 9/16 | 6.28125 | 16¼-16⅝ | 11¼-11 7/16 | 12¾-13 |
| Two months | 5.80-5.95 | 11 5/16-11 7/16 | — | — | — | — | — | 13⅛-13⅜ |
| Three months | 5.90-6.05 | 11⅜-11½ | 4 9/16-4 11/16 | 6¼-6⅜ | 6.28125 | 16½-16⅞ | 11¼-11 7/16 | 13¼-13½ |
| Six months | 6.15-6.30 | 11⅝-11¾ | — | 6⅜-6¾ | — | — | 11⅜-11⅝ | 13⅜-13⅝ |
| Lombard | 5.5 | — | — | — | — | — | — | — |
| Intervention | — | 11¼ | — | 5¾ | — | — | — | — |

### LONDON MONEY RATES — Discount Houses Deposit and Bill Rates

| Aug. 15 1984 | Sterling Certificate of deposit | Interbank | Local Authority deposits | Company Deposits | Market Deposits | Treasury (Buy) | Treasury (Sell) | Eligible Bank (Buy) | Eligible Bank (Sell) | Fine Trade (Buy) |
|---|---|---|---|---|---|---|---|---|---|---|
| Overnight | — | 10¾-12 | 11⅛-11⅜ | 11¼-11½ | 10½-11¼ | — | — | — | — | — |
| 2 days notice | — | — | 10⅞-11 | — | — | — | — | — | — | — |
| 7 days or ... | — | — | — | — | — | — | — | — | — | — |
| 7 days notice | — | 10⅞-11¼ | 11 | 11¼-11½ | 10¾ | — | — | — | — | — |
| One month | 10 11/16-10 9/16 | 10 13/16-10⅝ | 10¾ | 11 | 10⅝ | 10⅝ | 10 1/16 | 10⅝ | 10 1/16-10 7/16 | 10 15/16 |
| Two months | 10 11/16-10 9/16 | 10⅞-10⅝ | 10⅝ | 10¾ | 10⅛ | 10 9/16 | 10 1/16 | 10⅜ | 10⅜-10⅛ | 10 15/16 |
| Three months | 10⅝-10½ | 10 11/16-10½ | 10⅝ | 10⅝-10¾ | 10 | 9 15/16 | 9 27/32 | 10⅜ | 9⅞ | 10 15/16 |
| Six months | 10 11/16-10 9/16 | 10¼-10⅛ | 10⅝ | — | — | — | — | 9⅞ | 9¾ | 10½ |
| Nine months | 10¼-10⅛ | 10⅝-10 9/16 | — | — | — | — | — | — | — | — |
| One year | 10¼-10⅛ | 10½-10⅝ | 10⅝ | — | — | — | — | — | — | — |

| | Local Auth. negotiable bonds | Local Authority Deposits | Finance House Deposits | $ Cert of Deposits | SDR Linked Deposits | ECU Linked Deposits |
|---|---|---|---|---|---|---|
| One month | 11⅛-10⅞ | — | 10 9/16 | 11.45-11.55 | 9⅝-9⅞ | 9-9 3/16 |
| Two months | 11-10¾ | — | 10 9/16 | 11.55-11.65 | 9¾-10 | 9 1/16-9¼ |
| Three months | 10⅞-10⅝ | — | 10⅝ | 11.65-11.75 | 9 13/16-10 1/16 | 9 3/16-9⅝ |
| Six months | 10¼-10⅛ | — | 10⅜ | 11.85-11.95 | 10 1/16-10 5/16 | 9¾-9 15/16 |
| Nine months | 10⅝-10¼ | — | 10 9/16 | 11.9-12.1 | — | — |
| One year | 10⅜-10¼ | — | 10 9/16 | 12.0-12.2 | 10⅜-10⅝ | 10 5/16-10½ |
| Two years | — | 11 | — | — | — | — |
| Three years | — | 11¼ | — | — | — | — |
| Four years | — | 11½ | — | — | — | — |
| Five years | — | 11½ | — | — | — | — |

ECGD Fixed Rate Export Finance Scheme IV: Average Rate of Interest period July 4 to August 7 1984 (inclusive): 11.781 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 10½ per cent from August 1 1984. London and Scottish Clearing Bank Rates for lending 11 per cent. London Deposit Rate for sums at seven days' notice 8 per cent. Treasury Bills: Average tender rates of discount 10.0425 per cent. Certificates of Tax Deposit (Series 6). Deposit of £100,000 and over held under one month 11 per cent. one-three months 10½ per cent; three-six months 10¼ per cent: six-nine months 10¼ per cent: nine-12 months 10¼ per cent. Under £100,000 10¼ per cent from August 13. Deposits held under Series 5 10¼ per cent. The rates for all deposits withdrawn for cash 7 per cent.

### MONEY RATES

#### NEW YORK (Lunchtime)

| | |
|---|---|
| Prime rate | 13 |
| Broker loan rate | 12½ |
| Fed funds | 11½ |
| Fed funds | 11½ |
| Fed funds at intervention | 11½ |

#### Treasury Bills

| | |
|---|---|
| One month | 9.50 |
| Two month | 10.05 |
| Three month | 10.09 |
| Six month | 10.45 |
| One year | 10.53 |

#### Treasury Bonds

| | |
|---|---|
| Two year | 100 7/16 |
| Three year | 99⅞ |
| Four year | 103 3/32 |
| Five year | 104½ |
| Seven year | 104⅝ |
| 10 year | 99 9/16 |
| 30 year | 99 11/16 |

### FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING
(11.00 a.m. August 15)

| 3 months U.S. dollars | |
|---|---|
| bid 11 15/16 | offer 11 15/16 |

| 6 months U.S. dollars | |
|---|---|
| bid 12 | offer 12 1/8 |

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

## FINANCIAL FUTURES

# Nervous trading

Prices were mostly lower in the London International Financial Futures Exchange yesterday in rather nervous trading. The dollar's apparent inability to maintain its recent upward trend to record levels tended to focus market attention on a string of U.S. economic indicators, in order to establish a clear dollar pattern.

Tuesday's lower than expected U.S. retail sales encouraged a firmer trend while yesterday's rise in industrial production came at the upper end of market estimates and pushed values lower on the much repeated fear of tighter monetary policy should the U.S. economy show consistent signs of over heating. Against this background there appeared to be little incentive to move in either direction although there was probably a majority in the market looking for a halt however temporary to the rise in the dollar and U.S. interest rates.

The September Euro-dollar contract opened firmer at 88.48 and touched a high of 88.51 before coming back later in the day to close at 88.45, little changed from Tuesday's close of 88.43.

Gilt prices ended on a depressed note. Steady opening levels were never sustained in the face of some profit taking and, later in the day, sterling's weaker overall trend. U.S. industrial production also featured in the softer move as did today's issue of £750m of convertible Treasury stock. The September contract opened unchanged from Tuesday's close at 107-03 but lost ground to finish at 106-10.

### LONDON

THREE-MONTH EURODOLLAR
$1m points of 100%

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept. | 88.45 | 88.51 | 88.42 | 88.43 |
| Dec | 88.06 | 88.17 | 88.03 | 88.07 |
| March | 87.77 | 87.85 | 87.77 | 87.84 |
| June | 87.56 | 87.67 | 87.56 | 87.66 |
| Sept | 87.39 | 87.50 | 87.39 | 87.51 |

Est. Volume 3,685 (4,108)
Previous day's open int. 12,606 (12,612)

THREE-MONTH STERLING DEPOSIT
£250,000 points of 100%

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | [illegible] | [illegible] | [illegible] | 90.16 |
| Dec | [illegible] | [illegible] | [illegible] | 90.20 |
| March* | [illegible] | [illegible] | [illegible] | 89.88 |
| June* | [illegible] | — | — | 89.63 |

Est. Volume [illegible]
Previous day's open int. [illegible] (8,214)
*£500,000 points of 100%

20-YEAR 12% NOTIONAL GILT
£50,000 32nds of 100%

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 106-10 | 107-03 | [illegible] | 107-03 |
| Dec | [illegible] | [illegible] | [illegible] | 106-07 |
| March | [illegible] | — | — | 106-18 |
| June | [illegible] | — | — | 105-03 |

Est. Volume [illegible]
Previous day's open int. [illegible] (3,883)
Basis quote (clean cash price of 13¾% Treasury 2003 less equivalent price of near futures contract) [illegible] to 08 (32nds)

STERLING £25,000 $ per £

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | [illegible] | [illegible] | [illegible] | 1.3265 |
| Dec | [illegible] | [illegible] | [illegible] | 1.3325 |
| March | [illegible] | [illegible] | [illegible] | 1.3355 |

Est. Volume [illegible]
Previous day's open int. [illegible] (3,637)

DEUTSCHE MARKS
DM 125,000 $ per DM

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | [illegible] | [illegible] | [illegible] | 0.3459 |
| Dec | [illegible] | [illegible] | [illegible] | 0.3551 |

Est. Volume [illegible]
Previous day's open int. [illegible] ([illegible])

SWISS FRANCS SwFr 125,000
$ per SwFr

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | [illegible] | [illegible] | [illegible] | 0.4170 |
| Dec | [illegible] | — | — | 0.4242 |

Est. Volume [illegible]
Previous day's open int. [illegible] (2,229)

JAPANESE YEN Y12.5m $ per Y100

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | [illegible] | [illegible] | [illegible] | 0.4166 |
| Dec | [illegible] | — | — | 0.4224 |

Est. Volume [illegible]
Previous day's open int. [illegible] ([illegible])

FT-SE 100 INDEX
£25 per full index point

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 108.00 | 109.50 | 108.00 | 109.30 |
| Dec | 108.15 | — | — | 109.45 |
| March | 108.15 | — | — | 109.45 |

Est. Volume 549 (302)
Previous day's open int. 1,072 (1,034)

U.S. TREASURY BONDS
8% $100,000 32nds of 100%

| | Close | High | Low | Prev |
|---|---|---|---|---|
| Sept | 65-12 | 65-25 | 65-10 | 65-20 |
| Dec | 64-24 | — | — | 65-01 |
| March | 64-08 | — | — | 64-17 |

Est. Volume 569 (934)
Previous day's open int. 2,139 (2,011)

### CHICAGO

U.S. TREASURY BONDS (CBT)
8% $100,000 32nds of 100%

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| Sept | 65-13 | 65-23 | 65-07 | 65-19 |
| Dec | 64-24 | 65-01 | 64-17 | 64-29 |
| March | 64-05 | 64-14 | 63-31 | 64-10 |
| June | 63-22 | 63-31 | 63-17 | 63-26 |
| Sept | 63-09 | 63-18 | 63-02 | 63-13 |
| Dec | 62-28 | 63-10 | 62-27 | 63-02 |
| March | 62-19 | 62-29 | 62-19 | 62-24 |
| June | 62-08 | 62-18 | 62-05 | 62-15 |

U.S. TREASURY BILLS (IMM)
$1m points of 100%

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| Sept | 89.93 | 89.94 | 89.84 | 89.82 |
| Dec | 89.45 | 89.45 | 89.37 | 89.36 |
| March | 89.11 | 89.11 | 89.06 | 89.07 |
| June | 88.88 | 88.88 | 88.85 | 88.85 |
| Sept | 88.69 | 88.71 | 88.68 | 88.67 |
| Dec | 88.54 | 88.57 | 88.54 | 88.52 |
| March | 88.41 | 88.42 | 88.41 | 88.39 |
| June | — | — | — | 88.30 |

CERT. DEPOSIT (IMM)
$1m points of 100%

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| Sept | 88.57 | 8.63 | 88.53 | 88.57 |
| Dec | 88.16 | 8.25 | 88.13 | 88.18 |
| March | 87.88 | 7.97 | 87.86 | 87.90 |
| June | 87.73 | 87.77 | 87.68 | 87.70 |

THREE-MONTH EURODOLLAR (IMM)
$1m points of 100%

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| Sept | 88.15 | 88.21 | 88.11 | 88.16 |
| Dec | 87.74 | 87.84 | 87.71 | 87.76 |
| March | 87.45 | 87.55 | 87.43 | 87.47 |
| June | 87.25 | 87.35 | 87.23 | 87.26 |
| Sept | 87.07 | 87.13 | 87.07 | 87.10 |
| Dec | 86.93 | 87.03 | 86.93 | 86.96 |

STERLING (IMM) $s per £

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| Sept | 1.3210 | 1.3250 | 1.3200 | 1.3230 |
| Dec | 1.3295 | 1.3325 | 1.3265 | 1.3305 |
| March | 1.3360 | 1.3400 | 1.3350 | 1.3370 |

GNMA (CBT)
8% $100,000 32nds of 100%

| | Latest | High | Low | Prev |
|---|---|---|---|---|
| Sept | 66-14 | 66-20 | 66-10 | 66-18 |
| Dec | 65-22 | 65-30 | 65-19 | 65-26 |
| March | 64-28 | 65-02 | 64-28 | 65-00 |
| June | 64-06 | 64-13 | 64-06 | 64-09 |
| Sept | 63-18 | 63-20 | 63-18 | 63-22 |
| Dec | — | — | — | 63-07 |
| March | — | — | — | — |
| June | — | — | — | 62-18 |

## Business Opportunities

## Company Notices

**US$125,000,000**
**Hydro Quebec**
**9% Debentures**
**Series DE**
**due 1st August 1977/92**

Debentures covering US$5,000,000 have been purchased on the market to satisfy the Purchase Fund due 1st August 1984.

NOTICE OF REDEMPTION
**Goetaverken 8¼ per cent Guaranteed Bonds due 15th September 1987**
**US$40,000,000 Seventh Redemption due 15th September 1984**

Notice is hereby given to the Bondholders of the above issue, that the amount redeemable on September 15, 1984 i.e. US$2,000,000 — was bought back in the market.
Amount outstanding: US$26,000,000.
For Goetaverken Arendal A.B.
(former A.B. Goetaverken)
Bank of America International S.A.
Luxembourg
Fiscal Agent and Principal Paying Agent.

## Legal Notices

COMPANIES ACT 1981
STOCKPORT GEAR SUPPLIES LIMITED

NOTICE IS HEREBY GIVEN that pursuant to the Special Resolution of the Company passed by its members on the 8th day of August, 1984 the above mentioned Company has approved a payment out of capital in the sum of £12,500.00 to purchase 26 of its own £1.00 Ordinary Shares and that the Statutory Declaration completed by the Directors of the Company together with the Auditors Report annexed thereto are available for inspection at the Registered Office of the Company at Horton Street, Stockport, Greater Manchester. Any creditor of the Company may within five weeks from the 8th day of August, 1984 apply to the Court for an Order prohibiting this payment.
Dated this 8th day of August, 1984.
K. N. NIEROBA,
Secretary.

TAISHO MARINE AND FIRE INSURANCE COMPANY LIMITED
NOTICE TO E.D.R. HOLDERS
(One Depositary Share comprising 10 Ordinary Shares of Yen 50 each)

HAMBROS BANK LIMITED announce that Coupon Number 15 representing the dividend on the underlying shares for the year ended 31st March 1984 is payable as from the 16th August 1984 at the rate of US$0.22 per Depositary Share less Japanese Taxes as applicable, and may be presented for payment at their Stock Office Counter, 41 Bishopsgate, London EC2P 2AA, or at Kredietbank S.A. Luxembourgeoise, Luxembourg-Ville, Luxembourg.
Coupons presented to HAMBROS BANK LIMITED must be listed on the special listing forms, which may be obtained at their Stock Office Counter, and when applicable U.K. Income Tax will be deducted at the rate of £0.15 in the £ on the gross amount of the dividend before deduction of Japanese Withholding Tax.
HAMBROS BANK LIMITED
16th August 1984

JUTLAND-FUNEN ELECTRICITY CONSORTIUM (ELSAM)

US$10,000,000 5¼% 20 YEAR EXTERNAL LOAN 1964
HAMBROS BANK LIMITED hereby gives notice that in accordance with the terms and conditions of the above loan, the final redemption due 15th September 1984 will be effected by the drawing at par of all outstanding bonds.
The drawn bonds may be presented to Hambros Bank Limited, 41 Bishopsgate, London EC2P 2AA, or to the other Paying Agents named on the bonds.
For payment in London, bonds will be received on any business day and must be left three clear days for examination.
HAMBROS BANK LIMITED
16th August 1984.

## Clubs

## BUSINESS LAW

# EEC lifts its prohibition on patent licensing agreements

By A. H. HERMANN, Legal Correspondent

TODAY is a great day for Mr Hartmut Johannes, head of the industrial property rights division in the competition department of the EEC Commission. After 10 years of unrelenting struggle worthy of a better project, he has persuaded the member states to agree to the block exemption of patent licensing agreements.

Their approval is published in today's issue of the Community's Official Journal (L219) under the cumbersome title, Commission Regulation (EEC) on the Application on Article 85/3 of the Treaty to Certain Categories of Patent Licensing Agreements. This means that certain exclusive licensing agreements which, according to the Commission's controversial theory, are prohibited by the first paragraph of Article 85 of the Treaty, will now be deemed *automatically exempt on the* strength of its third paragraph.

**AN EEC PATENT LICENSING AGREEMENT BETWEEN TWO PARTIES**

**YOU MAY**
exclude the licensee and licensor from each others' territory for the life of the patent;
prohibit the licensees from manufacturing or actively seeking sales in the protected territory of others for the life of the local patent;
prohibit licensees from accepting unsolicited orders from other protected territories for five years after the marketing of the product anywhere in the EEC;
impose your trademark as long as the licensee can put his name on the product;
if necessary for a technically satisfactory exploitation of the invention, you may impose quality control and a sourcing obligation;
include a non-exclusive reciprocal improvements clause.

**YOU MUST NOT**
prohibit the licensee from challenging the validity of the patent, though you may provide for termination of the licence if he does;
impose any other restrictions on competition with the licensor or other licensees than those specifically allowed;
restrict the licensees' freedom of action in respect of customers prices or products;
ask for royalties on unpatented products;
prohibit sales to exporters or to oblige the licensee to sue parallel importers;
extend the licence beyond the life of patents existing when the licence was granted, unless there is a mutual right to terminate annually;
oblige the licensee to assign to the licensor patents for improvements or for new applications of the licensed patents.

Ever since the UK joined the Community, patent licensing applications have formed the bulk of the competition department's unfinished and unmanageable business. At the end of 1983, out of a stockpile of 3,654 notifications 62 per cent concerned patent licensing agreements.

The Commission makes between 10 and 15 decisions each year. At this pace there is little hope that companies will obtain any decision about the validity of their licensing agreements within the life of the patent.

The regulation published today will take effect from January 1, 1985, and from that date *on, many companies will be able* to withdraw their notifications because their agreements will benefit from the block exemption. The Commission's estimate is that this will halve the stockpile of notifications. Another quarter will benefit from the "opposition procedure" introduced by the regulation: certain types of exclusive licensing agreements, though not benefiting fully from the block exemption, can be considered cleared if the Commission does not object to them within three months of notification.

One could applaud the Commission for doing the sensible thing and reducing, by means of the block exemption, the legal uncertainty which has been impeding the transfer of technology since 1962 and at the same time sparing its competition officials a lot of trouble (or at least a bad conscience) over the backlog of notifications. However, it is difficult to be enthusiastic over the containment of a mischief entirely of the Commission's own making.

*There was never any reason* why exclusive patent licences should be seen as a restrictive agreement prohibited under the competition rules of the Community. The monopoly created by every patent is exempt from the impact of these rules, and whether the patent owner exercises his patent rights directly or through others makes no difference. Of course patent licensing agreements provide an opportunity for negotiating restrictions which go beyond the monopoly created by the patent and if these are important enough and affect trade between member states, the Commission may prosecute them. However, aiming at all exclusive licences, it cast its net much too widely and was never able to haul the fish out of the water.

The block exemption applies to licences to manufacture and sell (not to sell only) agreed between two parties concerning national, Community or European patents and, further, to utility models and inventions for which a patent application will be made within one year. Know-how relevant to the working of the patent may be included. Joint venture licences, however, are expressly excluded.

To divide the common market into national markets by whatever means is anathema to the Commission, so it must be viewed as a considerable concession that the block

**It was never able to haul the fish out of the water**

*exemption applies to licence* agreements which provide the licensee with a certain degree of territorial protection. A licensee may be prohibited from manufacturing or actively seeking sales in another's territory for the life of the patent or from accepting *unsolicited orders* for five years. After that time licensees are free to accept such orders.

It is a great pity that the Commission is unable to see the advantage of legal certainty and always prefers a solution which enables it to have the last word. Article 9 of the Regulation provides that the Commission may withdraw the benefit of the block exemption where it finds that an agreement, though falling within the Regulation, has certain effects incompatible with Article 85/3. Examples of this are when the product is not exposed to effective competition or the parties try to prevent parallel imports. As these and other conditions can be construed broadly the parties will, in fact, always be at the mercy of the Commission.

Some licensing experts think that in these circumstances the best policy is to grant a non-exclusive licence and never go near Brussels. In the case of a joint venture it may be possible to use management control instead of a restrictive agreement.

*If* legal security is very important, it may be necessary to notify, even if the agreement can be cleared only under the "opposition procedure." If it cannot, or if this is doubtful, it may be better to consider a different arrangement. For example, there is the possibility of assigning the patent and taking a reverse non-exclusive licence.

Though experts are pessimistic, there is some consolation in the attitude of the European Court which in recent years has twice refused to go the whole way with the Commission's exorbitant doctrine of condemning all exclusivity.

# CAPITAL MARKETS

# World Bank issues DM 300m Eurobond in firmer market

BY PETER MONTAGNON IN LONDON

THE WORLD BANK launched a DM 300m, 10-year bond in West Germany yesterday, the first deal of the DM 900m new issue calendar agreed last week for the period ending September 11.

Deutsche Bank, which is leading the issue priced it at par with a coupon of 8⅛ per cent, and it was reported to have been moderately well received in a slightly firmer market.

This is the World Bank's second international bond issue this week. Yesterday its £100m, 11½ per cent bulldog bond was priced at 99.161 to give a yield of 11.61 per cent. The bond is a second tranche of the World Bank's earlier 11½ per cent bond launched in April and the two issues will be fused in April next year.

Trading of dollar Eurobonds was very thin yesterday with many continental centres closed for a public holiday. Adding to the uncertainty was a press conference scheduled for today by Mr Donald Regan, U.S. Treasury Secretary, at which he will announce new policies on the sale of Treasury bonds to foreigners.

Daiwa Securities (Europe) had an active day, however, launching a $30m five year, 13 per cent issue at 100¾ per cent for Orient Leasing. Co-leads are Citicorp and Taiyo Kobe (Luxembourg). Today Daiwa and Morgan Guaranty are to launch a $250m, zero coupon bond for Swedish Export Credit. The ten-year bonds are priced at 32.95 which together with the fees of 1¼ per cent gives an all-in yield of 12.18.

| BHF Bank bond average | | |
|---|---|---|
| August 15 | | Previous |
| 99.392 | | 99.231 |
| High | 1984 | Low |
| 100.009 | | 98.058 |

In Switzerland, Credit Suisse launched a SwFr 100m, six-year private placement for Escom, the Electric Supply Commission of South Africa. The notes bear a coupon of 6¾ per cent and issue price is 99¾.

● Corestates, the parent company of Philadelphia National Bank, is raising $75m in the Euromarkets through a note issuance facility led by Morgan Guaranty and Union Bank of Switzerland.

The five-year facility involves the continuous sale of three and six-month notes through a tender panel of banks and investment houses which will place them in the market. If the panel declines to take up the notes they will be passed on to underwriters either as notes or in the form of a bank advance.

Terms of the back-up advance will include a margin of 10 basis points above the London interbank offered rate for Eurodollars. There will also be a facility fee of ⅛ points. Lead managers are seeking underwriters to join the deal with amounts of $8m and $4m for front end fees of 15 and 12½ basis points respectively.

# OVER-THE-COUNTER

Continued from Page 22

# FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for August 15.

| U.S. DOLLAR STRAIGHTS | Issued | Bid | Offer | Change on day | Change on week | Yield |
|---|---|---|---|---|---|---|
| Alaska Housing 11⅞ 94 | 100 | 95⅝ | 96⅛ | 0 | +0⅞ | 12.40 |
| All Nippon Airways 14 94 | 100 | 100⅝ | 100⅞ | +0⅛ | +0⅞ | 12.43 |
| American Savings 12 89 | 125 | 96⅞ | 96⅞ | 0 | +0⅛ | 12.98 |
| American Sav 12¼ 89 | 100 | 97¼ | 97¾ | −0⅛ | +1 | 12.85 |
| Australian Ind Dev 11 89 | 75 | 94 | 94½ | 0 | +0⅜ | 12.72 |
| Austria Rep 13⅝ 92 | 100 | 102⅞ | 103⅜ | +0¼ | +0⅜ | 12.95 |
| Bank of Tokyo 13⅝ 91 | 100 | 100⅝ | 101⅛ | +0⅛ | 0 | 13.37 |
| Citicorp O/S 11¾ 89 | 100 | †97 | 97½ | 0 | 0 | 12.14 |
| C.N C.A. 13¼ 91 | 100 | 98⅜ | 98¾ | 0 | −2 | 13.45 |
| Contifed Int 12¼ 89 | 125 | 96⅝ | 97⅛ | 0 | +0⅝ | 13.27 |
| Creditanstalt 13⅛ 91 | 100 | 97⅞ | 98⅜ | 0 | +0¼ | 13.58 |
| D.N.C. 11¾ 91 WW | 50 | †90½ | 91 | −0½ | 0 | 13.87 |
| D.N.C. 11¾ 91 XW | 50 | †90 | 90½ | −0½ | 0 | 14.18 |
| Denmark Kingdom 12 91 | 100 | 94⅛ | 94⅝ | +0⅛ | +0⅜ | 13.29 |
| Denmark Kingdom 13 91 | 100 | 98½ | 99 | +0⅛ | +0¼ | 13.26 |
| Denmark Kingdom 14 91 | 100 | 104⅜ | 105⅛ | 0 | +0⅝ | 12.82 |
| E.D.C. 11⅛ 89 | 150 | 95 | 95½ | +0⅛ | +0⅝ | 12.62 |
| E.I.B. 12½ 90 | 100 | 97⅜ | 98⅛ | +0⅛ | +1 | 12.86 |
| E.I.B. 12⅞ 94 | 100 | 98½ | 99 | +0¼ | +0½ | 13.08 |
| Eurofima 12½ 91 | 100 | 97¼ | 98⅛ | −0⅛ | −0⅛ | 12.83 |
| Ex-Im Bk Japan 13¼ 91 | 75 | 103⅛ | 103⅝ | 0 | −2 | 12.47 |
| First Michigan 13¼ 89 | 125 | 100⅝ | 100⅞ | −0⅛ | +0⅛ | 13.05 |
| Florida Fed Sav 12⅞ 89 | 100 | 96⅝ | 97⅛ | −0½ | +0⅜ | 13.34 |
| Gen Elec Credit 0 96 | 600 | 27⅛ | 27⅝ | +0⅛ | +0⅜ | 11.56 |
| Gen Elec Credit 11 91 WW | 200 | 96 | 96½ | +0⅛ | +0½ | 11.82 |
| Genossen Zentral 14 91 | 100 | 102½ | 103 | −0⅛ | +1⅛ | 13.34 |
| GMAC O/S Fin 13 86 | 200 | 101⅜ | 101⅞ | −0⅛ | +0½ | 11.94 |
| Gulf & Western 12⅛ 89 | 100 | 93⅛ | 93⅝ | 0 | +0⅛ | 14.10 |
| Indust Bk Japan 11½ 89 | 125 | 94⅜ | 94⅞ | 0 | +0⅜ | 13.00 |
| Indust Bk Japan 13⅞ 91 | 125 | 105½ | 106 | +0⅛ | +0⅞ | 12.58 |
| Japan Air Lines 12½ 94 | 70 | 96⅞ | 97⅜ | +0⅛ | +1⅛ | 12.60 |
| Macy O/S 11¾ 91 | 100 | 97⅛ | 97⅝ | +0⅛ | +1⅛ | 12.33 |
| Mitsui Trust Fin 12 91 | 100 | 93⅞ | 94⅜ | 0 | +0⅛ | 13.43 |
| Montreal, City 12½ 91 | 70 | 95⅛ | 95⅝ | +0⅛ | +0⅝ | 13.58 |
| Morgan Guaranty 12⅛ 89 | 150 | 96⅛ | 96⅝ | −0⅛ | −0⅛ | 13.25 |
| Newfoundland Prov 13 91 | 75 | 99⅝ | 100⅛ | −0⅛ | +0⅛ | 12.99 |
| Nippon Cred Bk 13⅞ 89 | 100 | 102⅛ | 102⅝ | 0 | +0⅞ | 13.17 |
| Nippon Tele 11⅞ 90 | 100 | 97⅞ | 98⅛ | 0 | +1½ | 11.88 |
| Nova Scotia Pro 11¾ 91 | 100 | 93⅝ | 94⅛ | +0⅛ | +1⅛ | 13.17 |
| Ontario Hydro 11⅞ 94 | 200 | 93½ | 94 | 0 | +0½ | 12.77 |
| Quebec Hydro 11½ 92 | 100 | †92½ | 93 | 0 | +1⅜ | 12.95 |
| Quebec Province 12¼ 94 | 150 | 94⅛ | 94⅝ | −0⅛ | −0⅛ | 13.27 |
| Rockefeller Grp 13¼ 89 | 100 | 101½ | 102 | 0 | 0 | 12.72 |
| Royal Bk of Can 11½ 89 | 100 | 94½ | 95 | 0 | +1⅛ | 13.00 |
| Royal & Ind Bk 12 91 | 50 | 93¼ | 93¾ | +0⅛ | +0½ | 13.52 |
| Sears O/S Fin 11⅝ 91 | 150 | 97⅜ | 98⅛ | +0⅛ | +1⅛ | 12.08 |
| Sec Pac O/S Fin 12 92 | 100 | 92⅜ | 93⅛ | 0 | +0⅜ | 13.48 |
| S E K 11½ 89 | 100 | 94⅜ | 95⅛ | −0⅛ | +0⅜ | 12.88 |
| Shearson/Amex 12⅛ 94 | 100 | 94⅜ | 95⅛ | 0 | +0⅛ | 13.03 |
| Statoil 12 88 | 100 | 98⅛ | 98⅝ | −0⅛ | −0½ | 12.52 |
| Statoil 13½ 89 | 100 | 102 | 102½ | 0 | +0⅛ | 12.85 |
| Sumitomo Fin 12⅝ 91 | 150 | 97½ | 97⅞ | +0⅛ | +1⅜ | 13.27 |
| Sweden Kingdom 12⅝ 89 | 200 | 98 | 98½ | −0⅛ | +0½ | 12.85 |
| Texaco Capital 13½ 89 | 200 | 101¾ | 102¼ | −0⅛ | 0 | 12.92 |
| Texas Insts Int 11⅛ 91 | 150 | 94⅜ | 95⅛ | +0⅛ | −0½ | 13.01 |
| Tokai Asia 12¼ 91 | 100 | 95⅜ | 95⅞ | −0⅛ | +2⅛ | 13.25 |
| Tokyo Met 12⅝ 94 | 50 | 99⅛ | 99⅝ | +0⅛ | +0⅝ | 12.96 |
| World Bank 11⅝ 89 | 200 | 95⅛ | 95⅝ | +0⅛ | +0½ | 12.71 |
| Yasuda Tst&Fin 12⅝ 89 | 100 | 95⅝ | 96⅛ | +0⅛ | −1 | 13.57 |

Average price change On day 0 on week +0⅛

| DEUTSCHE MARK STRAIGHTS | Issued | Bid | Offer | Change on day | Change on week | Yield |
|---|---|---|---|---|---|---|
| Allied Chemical 7½ 94 | 125 | 98⅞ | 99⅝ | 0 | +0⅝ | 7.60 |
| Amca Int'l 8¼ 91 | 100 | 101½ | 102 | −0⅛ | +1 | 7.91 |
| A.N.A.S. 8½ 91 | 150 | 99⅝ | 100⅛ | +0⅛ | +0⅛ | 8.51 |
| Austria Republic 7⅝ 94 | 200 | 95⅜ | 96⅛ | +0¼ | +0⅜ | 8.27 |
| Bacer Traveoal 7¼ 94 | 200 | 96 | 96½ | +0⅛ | 0 | 7.81 |
| Credit National 8⅛ 94 | 200 | 97⅞ | 98⅜ | +0¼ | +0⅓ | 8.41 |
| Degussa Int Fin 7½ 94 | 100 | 99⅝ | 100⅛ | +0¼ | +0½ | 7.45 |
| E.E.C. 8 92 | 200 | 99 | 99½ | +0¼ | +0⅜ | 8.12 |
| E.I.B. 8 91 | 250 | 99⅜ | 99⅞ | +0⅛ | +0⅞ | 8.08 |
| Escom 8 92 | 150 | 98⅝ | 99⅛ | +0⅛ | −0⅛ | 8.19 |
| Ferrovie Dello Stato 8 91 | 100 | 99⅛ | 99⅝ | +0¼ | +0⅛ | 8.11 |
| Finland Rep 7½ 91 | 150 | 96⅞ | 96⅞ | +0¼ | +0¼ | 8.01 |
| Gould Int Fin 7⅝ 91 | 100 | 98⅝ | 98⅞ | +0⅜ | +0⅜ | 7.88 |
| Int Standard Ele 7⅜ 90 | 100 | 99⅛ | 99⅝ | 0 | +0⅝ | 7.47 |
| Ireland 8⅛ 92 | 150 | 98⅜ | 98⅞ | +0¼ | +0¼ | 8.38 |
| Japan Fin Corp 7⅝ 91 | 100 | 99⅜ | 99⅞ | +0½ | +0½ | 7.88 |
| Magal Fin 8¼ 94 | 150 | 99¼ | 99¾ | −0⅛ | +0¼ | 8.32 |
| Mitsubishi Hvy 3½ 89WW | 300 | 99 | 99¼ | +0½ | +1 | 3.65 |
| Mitsubishi Hvy 3½ 89XW | 300 | 86⅞ | 87½ | +0⅝ | +0¼ | 6.83 |
| O.K.B. 7½ 88 | 100 | 98½ | 98½ | 0 | −0⅛ | 7.77 |
| Pepsico O/S Fin 7¼ 94 | 250 | 96⅞ | 97⅜ | 0 | +0⅝ | 7.68 |
| Reynolds O/S Fin 7⅝ 94 | 125 | 98⅞ | 99⅜ | −0¼ | +0⅝ | 7.68 |
| Societe Cent Nuclear 8 91 | 100 | 99½ | 100 | +0¼ | +1 | 8.04 |
| Sth Africa Rep 8½ 91 | 200 | 100 | 100½ | −0⅛ | 0 | 8.44 |
| World Bank 7¾ 89 | 100 | 99⅛ | 99⅝ | 0 | −0⅛ | 7.87 |
| World Bank 8 94 | 200 | 98⅞ | 99⅜ | +0½ | +0⅛ | 8.20 |

Average price change On day +0⅛ on week +0⅜

| SWISS FRANC STRAIGHTS | Issued | Bid | Offer | Change on day | Change on week | Yield |
|---|---|---|---|---|---|---|
| Asian Dev Bank 6¼ 94 | 100 | †100¼ | 100½ | −0⅛ | 0 | 6.20 |
| Canada 5¼ 92 | 200 | †100 | 100¼ | 0 | +0¼ | 5.23 |
| Consol Foods 5¾ 94 | 200 | †102¼ | 102½ | −0⅛ | 0 | 5.43 |
| Consol Press 6¼ 94 | 200 | †99¾ | 100 | 0 | +0¼ | 6.28 |
| Credit Foncier 6 94 | 120 | †100¼ | 100½ | 0 | −0¼ | 5.95 |
| Electric Power 5¾ 94 | 100 | †100 | 100¼ | +0¼ | +0⅜ | 5.73 |
| Euratom 6¼ 94 | 80 | †101½ | 101¾ | 0 | +1¼ | 6.09 |
| FGH 5¾ 92 | 110 | †98¼ | 98½ | 0 | 0 | 6.01 |
| G.D.Int 6⅝ 92 | 70 | †100½ | 100¾ | +0¼ | +0¼ | 6.64 |
| Int-Am Dev Bk 6¼ 94 | 120 | †100 | 100¼ | 0 | +0¼ | 6.23 |
| Japan Fin Corp 5½ 94 | 100 | †97¾ | 98 | 0 | +0¼ | 5.79 |
| Japan Highway 5⅝ 92 | 150 | †97½ | 97¾ | 0 | +0½ | 5.76 |
| Kansai Ele Power 6⅛ 92 | 100 | †102¼ | 102½ | −0⅛ | −0⅜ | 5.74 |
| Manitoba Prov 5¾ 94 | 100 | †102 | 102¼ | 0 | +0⅜ | 5.46 |
| Mitsui Fin Asia 5⅞ 94 | 55 | †98¼ | 98½ | 0 | +0¼ | 6.10 |
| Mount Isa Fin 5¾ 94 | 100 | †98 | 98¼ | 0 | 0 | 6.01 |
| New Brunswick 5⅝ 94 | 100 | †100¾ | 101 | +0¼ | +0¼ | 5.50 |
| Quebec-Hydro 5⅞ 94 | 150 | †102 | 102¼ | +0¼ | +0½ | 5.58 |
| Statsforetag 6 92 | 75 | †100½ | 100¾ | 0 | +0¼ | 5.89 |
| Sweden Kingdom 5¾ 94 | 125 | †100¼ | 100½ | +0½ | +0⅜ | 5.69 |
| Tauernkraftwerke 5½ 94 | 100 | †98 | 98¼ | −0⅛ | −1⅜ | 5.75 |
| Tobu Railway 4 92 WW | 100 | †96¾ | 97 | +0⅛ | +0½ | 4.48 |
| Tobu Railway 4 92 XW | 100 | †85½ | 85¾ | +0½ | 0 | 6.23 |
| Transcanada Pipe 5½ 92 | 100 | †98 | 98¼ | +0⅛ | 0 | 5.80 |
| World Bank 6⅛ 94 | 200 | †100 | 100¼ | 0 | +0½ | 6.11 |

Average price change On day 0 on week +0⅛

| YEN STRAIGHTS | Issued | Bid | Offer | Change on day | Change on week | Yield |
|---|---|---|---|---|---|---|
| Asian Dev Bk 7⅜ 94 | 15 | 99⅛ | 99⅝ | +0⅝ | +1⅛ | 7.44 |

| | Issued | Bid | Offer | Change on day | Change on week | Yield |
|---|---|---|---|---|---|---|
| Eurofima 7⅞ 94 | 10 | 99⅝ | 100⅛ | +0⅛ | +1⅛ | 7.30 |
| New Zealand 7⅛ 90 | 15 | 97⅜ | 97⅞ | +0⅛ | +0⅜ | 7.5* |
| World Bank 7 84 | 20 | 94⅜ | 94⅞ | +0⅛ | +0⅜ | 7.80 |
| World Bank 7⅛ 93 | 20 | 100 | 100½ | +0½ | +0⅜ | 7.54 |

Average price change On day +0⅛ on week +0⅜

| OTHER STRAIGHTS | Issued | Bid | Offer | Change on day | Change on week | Yield |
|---|---|---|---|---|---|---|
| Banque Indosuez 14 91 C$ | 75 | †98½ | 99 | +0⅛ | +1¼ | 14.20 |
| Brit Col Tel 12¼ 89 C$ | 70 | †96⅛ | 96⅝ | −0⅛ | +1⅛ | 12.70 |
| Canadian Occ 12⅝ 89 C$ | 60 | †96⅞ | 97⅜ | +0⅛ | +1⅛ | 12.79 |
| C.R.E. 13 93 C$ | 50 | †95⅞ | 96⅜ | −0⅛ | +0½ | 13.76 |
| Montreal City Of 12 90 C$ | 50 | †94⅛ | 94⅝ | 0 | +0⅜ | 13.30 |
| Quebec Hydro 14 91 C$ | 75 | †105½ | 106½ | 0 | +1 | 12.83 |
| Vancouver City Of 13 94C$ | 30 | †101⅜ | 102⅜ | +0⅛ | +2 | 12.89 |
| Austria Rep 10⅝ 93 ECU | 100 | †96⅞ | 97⅝ | −0⅛ | +0⅛ | 11.17 |
| E.E.C. 11⅛ 91 ECU | 50 | *104⅜ | 104⅞ | +0⅛ | +0⅛ | 10.26 |
| I.B.J. 11¼ 89 ECU | 40 | *†100⅜ | 101⅛ | −0⅛ | −0⅛ | 10.99 |
| Aegon 8¾ 89 FL | 100 | 101⅜ | 102⅛ | +0⅛ | +1⅛ | 7.70 |
| Bassics Foods 8¼ 89FL | 100 | 102⅞ | 103⅜ | +0⅛ | +1⅛ | 7.40 |
| Dai-Ichi 8½ 89 FL | 50 | 99⅝ | 99⅞ | −0⅛ | +0½ | 8.03 |
| New Zealand 8¼ 89 FL | 100 | 99½ | 100 | +0⅛ | +0⅛ | 8.31 |
| Rank Xerox Fin 8¼ 89FL | 75 | 101⅛ | 102⅜ | +0⅛ | +1½ | 7.80 |
| World Bank 8¼ 89 FL | 150 | 100 | 100½ | +0⅛ | +0½ | 8.17 |
| Charbonnages 13⅝ 85 FF | 400 | *101⅛ | 102⅛ | 0 | 0 | 12.23 |
| Air Canada 11⅛ 94 £ | 40 | 88½ | 89 | +0⅛ | +3⅛ | 11.90 |
| Cecf Europe 11⅛ 92 £ | 50 | 96⅛ | 96⅝ | +0⅝ | +2 | 12.07 |
| Denmark 10⅝ 89 £ | 75 | 95⅝ | 96⅛ | +0⅛ | +1⅛ | 11.88 |
| E.E.C. 11⅛ 94 £ | 60 | 96½ | 97 | +0⅛ | +1⅛ | 11.94 |
| E.I.B. 10⅛ 92 £ | 50 | 93⅜ | 93⅞ | +0⅛ | +2 | 12.05 |
| I.B.J. 11⅛ 95 £ | 30 | 97½ | 98 | +0⅛ | +1⅜ | 11.87 |
| I.I.L. 10⅛ 93 £ | 25 | 92½ | 93½ | +0⅝ | +1⅛ | 12.04 |
| Int Stand Ele 11⅛ 89 £ | 50 | 99⅝ | 100⅜ | +0⅛ | +1⅛ | 11.12 |
| Ireland 11⅛ 94 £ | 50 | 93⅜ | 94⅜ | +1⅛ | +3⅛ | 12.42 |
| New Zealand 10⅛ 89 £ | 100 | 96 | 96½ | +0⅛ | +2 | 11.07 |
| O K B 12⅛ 91 £ | 30 | 101⅛ | 102⅛ | +0½ | +2 | 11.83 |
| Royal Trustco 12⅛ 89 £ | 30 | 101⅛ | 102⅛ | +0⅛ | +1⅛ | 11.71 |
| SNCF 11⅛ 94 £ | 60 | 94 | 94½ | +0½ | +2⅜ | 12.27 |
| Sth Africa Rep 12½ 89£ | 40 | 100⅛ | 100⅝ | −0⅛ | +0⅛ | 12.34 |
| World Bank 10⅝ 89 £ | 100 | 96⅛ | 96⅝ | +0⅛ | +1⅛ | 11.71 |
| Electrolux 10 89 LF | 500 | *98⅛ | 100⅛ | +0⅛ | +0⅛ | 10.04 |
| E.C.S.C. 10½ 94LF | 100 | *98⅛ | 98⅝ | −0⅛ | −0⅛ | 10.73 |

| FLOATING RATE NOTES | Spread | Bid | Offer | C.dte | C.cpn | C.yld |
|---|---|---|---|---|---|---|
| Arab Banking 5¼ 96 | 0⅛ | †99⅜ | 99⅝ | 15/8 | 10.81 | 10.91 |
| B.B.L. Int 5 99 | 0⅛ | 99⅛ | 99⅝ | 11/10 | 11.13 | 11.27 |
| Banca Naz Agri 5¼ 91 | 0¼ | †99⅝ | 99⅞ | 10/2 | 12⅝ | 12.97 |
| Bank of Montreal 5 96 | 0⅛ | 100 | 100⅜ | 27/10 | 11.19 | 11.17 |
| Bankers Trust 5¼ 96 | 0⅛ | 100 | 100⅜ | 16/8 | 11⅜ | 11.74 |
| Barclays O/S Inv 5 2004 | 0⅛ | 99 | 99⅜ | 2/8 | 10.56 | 10.66 |
| BFG Fin 5¼ 98 | 0⅛ | 99 | 99⅜ | 1/8 | 11⅝ | 11.88 |
| Credit Lyonnais 5¼ 96 | 0⅛ | 100 | 100⅜ | 14/12 | 12⅝ | 12.81 |
| Dai-Ichi Kangyo 5¼ 90 | 0⅛ | 99½ | 100 | 18/11 | 12⅛ | 12.18 |
| Dresdner Fin 5¼ 89 | 0 | 99½ | 99⅞ | 23/8 | 11⅛ | 11.47 |
| E.D.F. 5¼ 99 | 0⅛ | 99⅛ | 99⅝ | 23/8 | 10.56 | 10.62 |
| Ferrovie State 5¼ 99 | 0⅛ | 99⅞ | 100⅛ | 31/8 | 10.93 | 10.98 |
| Gotabanken 5¼ 94 | 0⅛ | 99½ | 99⅞ | 10/11 | 12.19 | 12.36 |
| Lloyds Euro 5 2004 § | 0⅛ | 99 | 99⅜ | 18/10 | 11.31 | 11.41 |
| Midland Int Fin 5 99 § | 0⅛ | 99⅝ | 99⅞ | 8/8 | 10.56 | 10.64 |
| Mort Bk Denmark 5¼ 99+ | 0⅛ | 99⅜ | 100⅛ | 11/8 | 11 | 11.00 |
| Nat West-Perp 5 89 | 0⅛ | 100 | 100⅜ | 10/11 | 12.44 | 12.42 |
| Oster Land 5¼ 99 § | 0⅛ | †99⅜ | 99⅝ | 11/10 | 11.19 | 11.30 |
| Queensland Coal 5⅛ 98 | 0⅛ | 100 | 100⅜ | 8/11 | 11⅝ | 11.60 |
| Societe Gen 5⅛ 94 | 0⅛ | 100⅛ | 99⅞ | 15/8 | 10.13 | 10.21 |
| Spam 5¼ 97 | 0⅛ | 99⅛ | 99½ | 23/8 | 10.58 | 10.63 |
| Sweden Perp 5¼ 85 | 0¼ | 100⅛ | 100½ | 8/2 | 13⅛ | 13.20 |
| Takugin 5¼ 94 § | 0⅛ | 99½ | 100 | 15/8 | 10⅝ | 10.78 |
| Tokai 5¼ 89 | 0⅛ | 100 | 100½ | 12/12 | 12½ | 12.47 |
| Toyo 5¼ 89 | 0⅛ | 100⅛ | 100⅜ | 14/12 | 12⅝ | 12.59 |

Average price change On day 0 on week 0

| CONVERTIBLE BONDS | Cnv. date | Cnv. price | Bid | Offer | Chg. day | Prem |
|---|---|---|---|---|---|---|
| Ajinomoto 3 99 | 4/84 | 1102 | 97⅞ | 98⅛ | −0½ | −1.27 |
| Daiwa Sec Co 5½ 99 | 10/83 | 481.8 | †107 | 108 | +1⅜ | −5.37 |
| Fanuc 3⅛ 98 | 1/84 | 9142 | 134½ | 135½ | +1⅛ | 40.65 |
| Fujitsu 3 99 | 5/84 | 1320.9 | 98⅛ | 99⅛ | +0½ | 3.75 |
| Honda Motor 5⅛ 98 | 6/83 | 844 | 159⅛ | 160⅛ | +0⅝ | 2.74 |
| Konishiroku Photo 4 98 | 10/83 | 673 | 86½ | 87½ | +0⅛ | 5.54 |
| Marui 3½ 99 | 7/84 | 1182 | 93⅛ | 94⅛ | +0⅛ | 4.04 |
| Minebea Co Ltd 5½ 98 | 5/83 | 467 | 109⅝ | 110⅝ | +0⅛ | 3.10 |
| Mitsubishi Elec 5⅛ 98 | 6/83 | 386 | 102⅜ | 103⅜ | +1⅜ | 4.06 |
| Mitsubishi Heavy 4⅛ 99 | 1/84 | 253 | 90⅛ | 91⅛ | +2⅜ | 2.42 |
| Murata 3½ 98 | 2/84 | 2930 | 115⅛ | 116⅛ | +5½ | 20.20 |
| Murata 3½ 2000 | 7/84 | 2390 | 100⅛ | 100⅛ | +0⅛ | −0.07 |
| Nippon Oil Co 3⅛ 98 | 3/84 | 1052 | 87⅛ | 88⅛ | +0⅛ | 6.22 |
| Nippon Oil Co 5½ 98 | 4/83 | 994 | 97⅜ | 98⅜ | 0 | 6.56 |
| Nissan Motor 5⅛ 98 | 4/83 | 700 | 88½ | 89½ | −0⅛ | 8.47 |
| Ono Pharma'cal Co 3⅛ 98 | 3/84 | 9480 | 134 | 135⅜ | −0⅛ | 32.01 |
| Orient Leasing 5⅛ 98 | 6/83 | 2800 | 126⅝ | 127⅝ | 0 | −3.53 |
| Secom 5 98 | 11/83 | 2920 | 184⅝ | 180⅛ | +0⅛ | 1.05 |
| Sekisui House 3 99 | 8/84 | 612 | 81⅛ | 82½ | +0⅛ | 8.85 |
| Sumitomo Corp 2⅝ 99 | 5/84 | 593 | 94⅝ | 95⅝ | −0½ | 2.80 |
| Yamanouchi Pharm'cal 4 98 | 10/83 | 1880 | 93½ | 94½ | −1⅜ | 25.41 |
| Nippon Oil Co 2⅛ 92 SF | 3/84 | 1052 | †102½ | 102⅜ | +0½ | 12.15 |
| Nippon Shinpan Co 2 92 SF | 3/84 | 881 | †81 | 81⅛ | +0½ | 32.45 |
| Settsu Paper 2⅛ 92 SF | 4/84 | 577 | †140⅛ | 142½ | −0⅛ | 1.21 |
| Asics 5 92 DM | 12/83 | 520 | 100⅛ | 101⅛ | +0⅛ | 23.77 |
| Sam Realty 6⅛ 92 DM | 2/83 | 385 | 139⅝ | 140⅝ | +0⅛ | −3.33 |

* No information available-previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week – Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date – Date next coupon becomes effective. Spread – Margin above six-month offered rate (‡ three month; § above mean rate) for U.S. dollars. C.cpn. – current coupon. Cu. yld – current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day – Change on day. Cnv. date – First date for conversion into shares. Cnv. price – Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem – Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.